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Transfer Ruble Dropped for CEMA Transactions

PM0407124790 Moscow IZVESTIYA in Russian 2 Jul 90 Morning Edition p 1

[Article by V. Mikhaylov under the rubric "Fact and Commentary": "Farewell, Notional Ruble"]

[Excerpts] An official notice has just been issued by the USSR Gosbank [State Bank] that as of 1 January 1991 the Soviet Union will leave the system of multilateral settlements in transfer rubles and switch to freely convertible currency in settlements with CEMA members. Thus ended the saga of one of the ponderous and destructive conventions artificially created to materially support ideological priorities in East Europe but, like any violence to economic laws, doomed to fail sooner or later. [passage omitted]

According to Western specialists' assessments—Western again, unfortunately!—the transition to freely convertible currency will cost our treasury $12-16 billion each year should the physical mass of goods shipments be maintained. We have paid a high price for our adherence to the socialist choice. Admittedly, there is also the opinion that settlements in transfer rubles are advantageous for the Soviet Union. However, when our government started some time ago conducting bilateral talks with its CEMA partners on the transfer to hard currency in mutual settlements, Poland and—until recently—the GDR categorically objected. Czechoslovakia was not opposed, but on condition that its losses were reimbursed (!). Moreover, when we proposed that all our partners reject the transfer ruble system—and the 1963 treaty stipulated only two options for ending it: agreement by two-thirds of the participating countries, or unilateral withdrawal after not less than 6 months' notice had been given—in most cases we received either a negative or a vague response.

And now we are withdrawing from the agreement. Does this mean the end of the CEMA—and if so, shouldn't its huge administrative building in Moscow be leased to foreign firms so as to obtain real hard-currency profits)? In the opinion of O. Mozhayskov, chief of the USSR Gosbank's Foreign Currency Economics Administration, the CEMA indeed no longer feels important, but hard-currency settlements are capable of reviving it.

Yazov Interviewed on European Security, NATO

PM0307090190 Madrid YA in Spanish 26 Jun 90 p 48

[Interview with USSR Defense Minister Dmitriy Yazov, by Vladimir Ostrovskiy; place and date not given—first paragraph is introduction]

[Text] Europe's security is the main concern of USSR Defense Minister Marshal Dmitriy Yazov, who in his turn is a Presidential Council member and candidate member of the CPSU Central Committee Politburo.

[Ostrovskiy] Judging by the Warsaw Pact states' declaration recently approved by the Political Consultative Committee in Moscow and by the Defense Ministers Committee meeting in Berlin, you, as USSR defense minister, are concerned about the new political and military situation in Europe.

[Yazov] I have further concerns, since the Pact's character and functions must be reconsidered. The new situation in the world and in Europe has set our alliance new tasks connected with the disarmament process and with the creation of a new European security system. We have dropped the elements of confrontation contained in our previous documents. There were also elements of this kind in previous NATO decisions.

It is clear from the speeches at the meetings of the Pact's Political Consultative Committee that the desire for our organization to be more political than military is temporary, until new structures for security in Europe are created. In this context a logical question arises: What prospect is there for creating new security structures if NATO does not intend to dissolve itself and furthermore intends to incorporate a united Germany into its military organization?

[Ostrovskiy] You recently held a meeting with Margaret Thatcher.... What is the prime minister's opinion?

[Yazov] Unfortunately, she did not answer my question about the prospects for restructuring NATO and approaching the changing situation in Europe from a new viewpoint. Judging by the speech delivered by Mrs. Thatcher at the meeting in Scotland, NATO claims the decisive role in Europe. Even the process of reducing conventional forces and arms in Europe does not remove the need for NATO's existence in the future. Moreover, the British prime minister called on those taking part in the meeting to examine the possibility of extending NATO's role from preventing war to building peace. In a word, regardless of the stance of the USSR and other Pact countries, for the present NATO's ideas and its approach to the political and military problems of our time have not changed.

In a word, our country appears as an enemy, despite all our steps to strengthen worldwide security, not only in Europe but also in the world. This is what worries me more than anything.

Baker Cited on U.S. European Security Concept

PM0307102190 Moscow IZVESTIYA in Russian 1 Jul 90 Morning Edition p 4

[Dispatch by IZVESTIYA correspondent V. Nadein: "On the Threshold of the London Meeting"]

[Text] Washington—The United States will be setting before its NATO allies important new elements of its concept of security in Europe. These are based on the proposals that the Warsaw Pact virtually no longer exists, but its current members feel the need for security.

U.S. Secretary of State J. Baker stated that the NATO leaders should invite the Warsaw Pact countries to conclude "individual nonaggression agreements" with NATO so as to give these countries a "greater sense of belonging to the new Europe."

This statement was made on the threshold of the conference of the leaders of the NATO countries to be held in London at the end of next week. It will propose that a wide-ranging overview of NATO military strategy and nuclear policy take place. Importance will be attached to the elaboration of specific ideas connected with turning the CSCE into a permanent organ. As is well known, all European countries—with the exception of Albania—and the United States, and Canada participate in the CSCE.

State Department officials believe that the concept which has existed for many decades that the processes of disarmament and the easing of tension in Europe should take place predominantly within the framework of agreement between NATO and the Warsaw Pact today no longer squares with reality. The Warsaw Pact is collapsing, they claim, and therefore NATO should not include it within new agreements so as not to "give a second wind" to a military-political structure that has no great future.

Talking about new declarations—however peace-loving their content may be—J. Baker stressed: "Now this can no longer be (a) pact-to-pact (relationship). In my view, it will affect a pact and individual Warsaw Pact member states."

To all appearances, the United States will try to persuade its allies not to accept the proposal recently put forward by Soviet Foreign Minister E. Shevardnadze that nuclear weapons be removed from Germany and subsequently from all of Europe alongside a simultaneous agreed withdrawal of U.S. and Soviet troops from Germany.

At the same time, the United States is inclined to support the Soviet side's position on confidence-building measures, including exchanges of information on military maneuvers and the discussion of the two sides' defensive doctrines.

Examining the likelihood of certain East European states' applying to join NATO after leaving the Warsaw Pact, U.S. officials stated that the reaction to such

actions would most likely be very cautious. THE NEW YORK TIMES reports that "officials have expressed the opinion that this could frighten an already nervous Moscow which is not accepting the idea of a unified Germany within NATO."

Bush Proposals on NATO Changes Assessed

LD0407172590 Moscow TASS in English 1700 GMT 4 Jul 90

[By TASS military writer Vladimir Chernyshev]

[Text] Moscow July 4 TASS—U.S. President George Bush stated that the strategy of the North Atlantic alliance (NATO) would be changed at the forthcoming session of the NATO Council at the level of the heads of state and government, opening in London on Thursday.

According to U.S. press reports, Bush sent a letter to the heads of West European states, setting out his proposals on this issue. It is difficult to assess the White House's new initiatives, given the lack of full information. Nevertheless, from reports by THE WASHINGTON POST and THE NEW YORK TIMES, some preliminary conclusions can be made.

First and foremost, there are two important elements. It seems that at point are a revision and, possibly, a renunciation of the nuclear strategy of "flexible response". Bush proposed to announce the use of nuclear arms only as "weapons of last resort" in the event of a conflict. An unambigous statement by NATO about the no-first use of nuclear weapons would be more encouraging.

Even so, Washington's initiative should be welcomed as a promising beginning to the transformation of the nuclear strategy, bringing it closer to the fundamentally new military-political situation.

Secondly, Bush proposed to reduce NATO forces deployed near the frontiers of the Warsaw Treaty member-states, changing another fundamental strategy of "forward defence". This revision can be evaluated as a response to unilateral measures by the Soviet Union, which is sizeably reducing its military presence in Eastern Europe and significantly slashing the arsenals of offensive armaments on forward lines.

In general, the adoption of the aforementioned initiatives in London would signal the first step towards a broad revision of the NATO's nuclear and non-nuclear strategies. THE NEW YORK TIMES writes that it will take months to elaborate many details of the new military stance. One would like this process to be dynamic.

The very launching of new initiatives by Bush suggests the following: First, the White House is eager to buttress its declarations about the diminishing threat from the East with actions. Second, it wishes to show that the North Atlantic alliance is abreast of changes in the Soviet Union and in East European countries. Third, Washington is matching with deeds its awareness of the Soviet Union's concern about its security in view of the German unification and that country's possible inclusion in NATO.

NATO Strategy Changes in Europe Anticipated

PM0407134990 Moscow PRAVDA in Russian 4 Jul 90 Second Edition p 7

[Dispatch by Vitaliy Gan under the "Correspondent Comments" rubric: "NATO: New Ideas?"]

[Text] Washington, 3 Jul—Reports are spreading in the U.S. capital that the Bush administration is preparing a "surprise" for this week's coming NATO leaders' conference in London. Journalists with access to high-ranking government sources are even evincing the opinion that this conference may be a turning point for the Western alliance.

Although nothing official has been said up until now, the White House "leaks" allow us to form an opinion of the content of Washington's proposals. Following Bush's meeting today in the presidential residence in Kennebunkport, Maine, with his leading foreign policy and military advisers, administration sources confirmed that there is talk of a "major change in NATO strategy." According to them, Bush aims to adopt a new bloc military doctrine whereby the use of nuclear weapons by the North Atlantic alliance would only be envisaged as a last resort. Thus, the aggressive "flexible response" doctrine," which has for almost 30 years threatened the use of the nuclear arsenal at the beginning of any conflict with Warsaw Pact countries will be deemed dead and buried.

At the same time it is noted that Bush may propose withdrawing all nuclear artillery shells from Europe, leaving the "Lance" tactical missiles and nuclear aerial bombs. It is also supposed that a proposal may be made to pull NATO troops back from the FRG's borders with Czechoslovakia and East Germany and to grant Soviet and East European diplomats the chance of being accredited to NATO as special observers.

Bush has said nothing specific in response to correspondents' questions. He has only pointed out that, in his opinion, taken together, the U.S. recommendations can hardly be described as sensational. The President's reluctance to add to the uproar prematurely is natural, but it by no means minimizes the significance of the obvious fact that people in Washington, as in other NATO capitals, are beginning to face up to realities. The disappearance of the military threat from the East coupled with the changes within the Soviet Union and all East European states is part of this reality. In the light of all this, the need to review NATO philosophy, doctrines, and even its structure is becoming increasingly obvious. It is hard to disagree with CBS TV, which said that Bush's "main challenge" is to "adapt sufficiently rapidly to the new Europe."

Admittedly, this adaptation is not taking place as fast as we would like. People on the Potomac are still talking in an excessively abstract way about the need to create new mechanisms in Europe for guaranteeing security and stability. But the process has nevertheless gotten under way, and the administration's present ideas may be seen as a step in this direction.

Envoy to GDR on NATO Summit, German Unity

AU0407100790 Hamburg BILD in German 4 Jul 90 pp 1, 4

[Interview with Gennadiy Shikin, USSR ambassador to the GDR, by Peter Brinkmann; place and date not given: "What Do You Expect From the NATO Summit?"]

[Text] [Brinkmann] What do you expect from the NATO summit in London tomorrow and the day after tomorrow?

[Shikin] A satisfactory answer to the latest decisions of the Warsaw Pact. All NATO and Warsaw Pact states should see themselves as partners and no longer as opponents. This means that the NATO strategy which was meant for the time when confrontation was in full swing no longer corresponds to the new situation and has to be changed.

This also means that all armed forces have to be reduced to a degree that would suffice for defense purposes. In short, very much will depend on the decisions in London. The choice that will be made there will have far-reaching consequences for Germany, as well as for the whole of Europe.

[Brinkmann] To what alliance should the united Germany belong?

[Shikin] We proceed on the assumption that the united Germany will fulfill the commitments of the treaties and agreements resolved by the two German states for a certain time.

[Brinkmann] ...that is to say, double membership?

[Shikin] You can also call this double membership, but I have to tell you openly that the term is not very important. The main thing is that after Germany's unification no major military-strategic shifts that will be disadvantageous for us will take place on GDR territory. Therefore, we are advocating a transition period during which Soviet troops remain on the territory of the present GDR.

Gorbachev Adviser on German Unity, NATO

AU0207165890 Hamburg BILD in German 2 Jul 90 p 4

[Interview with Nikolay Portugalov, Gorbachev's Germany policy adviser, by Karl-Ludwig Guensche; place and date not given: "Germany: Russians Are Looking for a Compromise"]

[Text] [Guensche] Why does the Soviet Union demand from the future united Germany that it renounce sovereign rights for a transition period?

[Portugalov] We are looking for a compromise that is acceptable to both sides. We have made a number of proposals to this end. Now one has to talk about them. What is absolutely unacceptable for us is NATO membership by the united Germany without any reservations. The security interests of the Soviet Union have to be protected.

[Guensche] For this one does not need a restriction of sovereignty, this can be settled by a treaty....

[Portugalov] Of course. But your country wants a united Germany in NATO with only one concession: a provisional special military status for today's GDR. If our troops remain there for a transition period then only by the grace of NATO. And U.S. Secretary of State Baker has already said that he cannot promise that NATO will not expand to today's GDR after the withdrawal of Soviet troops. In addition, the nuclear presence of the Americans in the FRG—and thus also in the future united Germany—is to be maintained. No, no one can demand that we accept such a regulation, which is clearly made at our cost.

[Guensche] Can these questions be solved by the time of unification at the end of the year?

[Portugalov] I hope so.

[Guensche] Will Germany policy become a contentious issue at the CPSU Congress this week?

[Portugalov] The settlement of the foreign policy aspects of German unification has a strong domestic policy component in our country. The conservatives in the CPSU are trying to forge an antiperestroyka appeal from this. Summed up in a demagogic way, this is rather convincing for the man in the street: 40 years after the war we won we are leaving—at least from the optical point of view—the battlefield as losers. Therefore, the issue will probably be contentious at the party congress.

Membership of United Germany in NATO Rejected

PM0407135790 Stockholm SVENSKA DAGBLADET in Swedish 1 Jul 90 p 3

["Focus" article by Colonel General Nikolay Chervov: "United Germany Should Not Be NATO Member"]

[Text] A united Germany as a member of NATO is not in line with today's developments in Europe and could only upset the transition to a new system for interstate relations. When the United States and other countries strive for a united Germany which belongs to NATO they harm the security of the Soviet Union and pay insufficient heed to the concerns of the Soviet people. We should ask ourselves whether such a policy adds to the peace and security of Europe.

The Soviet Union is firmly opposed to all steps taken by the Western nations with the aim of admitting a united Germany to full membership of the NATO bloc—full membership also of its military organization. So if the Western states are not responsive to the Soviet Union's views and a united Germany is admitted to NATO, encroachments will be made on the security of the Soviet state and the Soviet people. In that case the Soviet Union will have to seek other ways and means to attend to its security interests. Stability could then be undermined rather than strengthened.

No one is served by confrontation, by a divided Europe, and by modernized iron curtains. Sensible compromises are called for, otherwise major problems will await us in relations between states over the German question.

The Soviet leadership has proposed various ways of shaping the united Germany's military status: neutrality, dual bloc membership, or involvement only in the political structures of NATO. Now the ball is in the West's court.

The admission of a united Germany to NATO is definitely unacceptable, both politically and psychologically, to the Soviet people. It would seriously upset the balance of strength that has developed in Europe. Once Germany is unified and agreement has been reached at the Vienna negotiations, the situation in central Europe will change radically—to the advantage of the NATO nations. These will have a more than fourfold superiority (NATO: 900,000 men; the Soviet Union: 195,000 men), and for this reason the balance of strength and stability in Europe will inevitably be disturbed. The West could put pressure on the Soviet Union.

Public opinion in the Soviet Union cannot go along with this. In the war against Nazi Germany we did not lose 27 million human lives only to need to fear aggression once again.

In the present situation I agree with those in the West who assert that Germany would never risk its prosperity for the sake of some mad revanchist plans. But where are the guarantees for the future? Who can guarantee that a united Germany will never present a security threat to the peace of Europe?

Is a united Germany prepared to recognize the existing borders in Europe and renounce territorial claims?

What will Germany's real war potential, its military doctrine, and armed forces look like? Will NATO have a million-strong army remaining in Germany?

There are no answers to these questions. We could continue this catalog of questions concerning possible unfavorable future developments to which no serious politician can close his eyes.

The unification of Germany must be linked to all-European developments and a fundamentally new security system for Europe based on logical changes to the military alliances and on complementary European security structures. The arned forces of a united Germany must be organized at a level much lower than the strength of today's Bundeswehr. All nuclear arms (nuclear-free status) and chemical weapons must be withdrawn from the territory of the united Germany.

In order to be able to reach the correct decisions on the status of the united Germany, it is clear that we must take as our starting point the fact that the country must form a sort of bridge between the Warsaw Pact and NATO, between East and West. The united Germany must have equal obligations both to the United States and NATO and to the Soviet Union and the Warsaw Pact.

It is easy to understand the Germans—they are now living through a decisive stage in their development which will determine their future and place in Europe. But one should also understand the main thrust of Soviet policy: It is clearly directed toward the defense of the USSR's own national and state interests. If we bear in mind the enormous sacrifices the Soviet people made in the war against fascism, this thrust cannot simply be abandoned. That is why both sides should strive for a mutually acceptable solution that points the way forward.

Moscow wants to reach an agreement at the Vienna talks, and the sooner the better, because it realizes that the all-European summit in particular is dependent on such an agreement.

Instead of accusing the Soviet Union of "coupling" the Vienna negotiations to the unification of Germany, people should be aware that there actually is a logical connection between a reduction in conventional forces in Europe and what is happening between the two German states. However, an agreement in Vienna is not dependent on the unification of the two German states, particularly since we are dealing here with a lengthy process.

Deemed 'Out of the Question'

LD0307141890 Hamburg DPA in German 1337 GMT 3 Jul 90

[Text] Moscow (DPA)—The Soviet leadership places great hope in the talks between Federal Chancellor Helmut Kohl and President Mikhail Gorbachev in Moscow on 15 and 16 July. Valentin Falin, head of the CPSU Central Committee International Relations Department, told this to the GERMAN PRESS AGENCY (DPA) on Tuesday. During a break in the 28th CPSU Party Congress proceedings Falin affirmed Moscow's attitude toward the alliance membership of a united Germany. NATO membership [of a united Germany] is out of the question as far as Moscow is concerned.

The Soviet side is prepared for constructive talks, Falin continued. "I believed there is at present sufficient

material to ensure that during this visit many things will be discussed." The preconditions are good. "There is even a personal contact between Helmut Kohl and our president, so that all relevant aspects of our relations and those of international politics can be discussed factually, constructively, and thoroughly. The Soviet side is prepared for this." The Moscow leadership is hoping that the German side will arrive with this kind of attitude, "for very much depends on this talk, on this meeting," the former Soviet ambassador to Bonn added.

According to Falin, Foreign Minister Eduard Shevardnadze on Tuesday morning reacted to criticism from the conservative ranks in the USSR with his remarks on the unification of Germany. Shevardnadze, in his report on foreign policy to the congress, explained that foreseeable developments will probably end in the German Army being smaller than the present-day Bundeswehr. "That is a counterargument to the polemics in the discussion with those who assert that the whole development is inflicting very great damage on us."

Falin affirmed the Soviet Union's standpoint on the question of German membership in NATO, something which Shevardnadze has not commented on in his report. "Our position has been definitively formulated and remains in force as such. Membership of a united Germany in NATO would represent a very strong qualitative change in the balance of power and is therefore out of the question as far as the Soviet side is concerned," Falin said. "Nobody can declare facts null and void. There is not a single politician capable of realizing such miracles."

FRG Official on Soviet Troops in United Germany

PM0407090790 Moscow SOVETSKAYA ROSSIYA in Russian 3 Jul 90 Single Edition p 6

[Unattributed report under the general heading "Union or Anschluss? GDR-FRG State Treaty Came Into Force 2 July": "On Soviet Troops in the GDR"]

[Text] In an interview on Hesse radio, A. Dregger, chairman of the Christian Democratic Union-Christian Social Union [CDU/CSU] faction in the Bundestag, emphasized that a united Germany must also have a united army, which should be created on the basis of the Bundeswehr.

With regard to the preservation of the Soviet military presence in the GDR, A. Dregger said that the duration of that contingent's stay must be determined in advance. In the opinion of the West German parliamentarian, this question should be examined not within the framework of the "two plus four" talks but in the course of a dialogue between representatives of two sovereign states—the USSR and Germany—with subsequent enshrinement in a corresponding document.

At the same time Dregger came out against the West German side's financing the presence of Soviet troops in the GDR after the State Treaty between the FRG and the GDR comes into force. We are ready, the faction chairman emphasized, to take on the cost of withdrawing the Soviet troops.

German Unity's Economic Impact on USSR Viewed

PM0307140590 Moscow SOVETSKAYA ROSSIYA in Russian 30 Jun 90 Single Edition p 5

[Article by Candidate of Economic Sciences V. Belov: "Trade Prediction: USSR-GDR. Profits and Losses"]

[Text] The entry into force of the FRG-GDR state treaty on 2 July this year will mean for the GDR the renunciation of economic sovereignty and total subordination to the Bundesbank in monetary and credit policy through the introduction of the West German mark into circulation on the republic's territory. The imminent cardinal changes in the economic system of the GDR—our biggest foreign trade partner which until recently accounted for over 10 percent of total Soviet foreign trade turnover—will to a significant extent affect our national economic interests too.

Deliveries from the GDR account for 20 percent of the Soviet Union's total imports of machines, equipment, and means of transport. In addition, we receive considerable volumes of goods in mass demand, and also chemical products. The Soviet Union, in turn, is the GDR's most important source of raw materials. Fuel and raw material resources account for 70 percent of our exports to this country. We also export machines, equipment, and spare parts—16 percent of Soviet deliveries. How will our economic cooperation develop from now on?

The government coalition's official statement of 19 April 1990 stresses that the GDR will strictly fulfill its foreign trade commitments to the USSR both during the transitional period and after the creation of a single German state. Readiness to remain an important economic partner of the Soviet Union and develop close business cooperation with it based on the principles of mutual advantage and efficiency was also reaffirmed by GDR Prime Minister L. de Maiziere during his visit to our country at the end of April.

Of course our countries have to resolve many problems if they are to fulfill mutual commitments, particularly in the transitional period—I think it will take three-five years. Thus mutual trade settlements will be in transfer rubles until the end of the year and in freely convertible currency at current world prices as from the beginning of 1991. According to certain estimates, this will primarily be to the advantage of the Soviet Union since our country's deficit in trade with the GDR will turn into a surplus as a result of this operation.

Furthermore, many East German enterprises will prove uncompetitive in an open market economy. Experts believe that 14 to 20 percent of all enterprises will be closed. They may include some that supply us with products that we have stopped producing within the

framework of CEMA specialization—for example, passenger railcars. In this situation, supplies to the Soviet Union may have a stabilizing effect on the East German economy in the transitional period. The GDR Government is ready to support enterprises delivering their output to the USSR, including by means of export subsidies. I believe that the prices in freely convertible currency for products which we need but whose quality is below general world standards could be correspondingly lower than world prices. And the guaranteed sale in conditions of harsh competition on the domestic market will preserve thousands of jobs at GDR enterprises, which will be of great social significance.

Naturally, the structure of mutual trade will change as the East German industrial potential is modernized, particularly in the spheres of machine-building and reduced energy- and materials-intensiveness, and integration with the West German economy increases. And here it is particularly important that, in parallel with the restructuring of the economy in the GDR, we finally secure a breakthrough in the structure of our exports and increase the proportion of finished products in it.

The process of German unification is opening up new prospects in the sphere of production and scientific and technical cooperation and joint enterprise, which is connected with the active penetration of West German capital into the GDR economy. I believe that trilateral cooperation with the participation of firms from the GDR, the FRG, and the Soviet Union would be to the advantage of all participants. However, in connection with the upcoming changes in ownership relations in the GDR and certain obscurities in this sphere, questions of the legal protection of Soviet ownership and real estate and movable property on the republic's territory, including joint ventures, should be examined straightaway.

Certain problems may arise in economic cooperation between our countries when the GDR enters the EC as part of a united Germany. According to the document adopted at the extraordinary session of the European Council, the GDR's integration into the EC will take place in stages.

During the first stage—after the state treaty comes into effect—which will be characterized by the qualitative restructuring of all spheres of the East German economy, competition from EC countries, whose firms will receive direct access to the new market, will grow significantly. Our exports of machines and equipment may decrease during this period. The second stage of integration with the EC will start from the time of the formal creation of a single Germany. Then the EC Commission will study the question of the possibility of fulfilling agreements concluded by the GDR and their consonance with EC policy. It is proposed to preserve the structure of GDR-USSR trade, but this will require certain exceptions in EC regulations both for imports from the Soviet Union and for East German exports. The third stage will begin after 1 January 1993, that is from the time of the creation of a single EC internal market. By that time the number of transitional agreements must be reduced to a minimum and EC legislation will fully operate on East German territory.

I believe that during the second stage the EC Commission will find an opportunity to preserve the former export-import trade system with the GDR for the USSR, that is without applying the single EC trade policy which includes various quantitative restrictions on imports, a single customs tariff, anti-dumping procedures, and so on. However, during the third stage the number of exceptions may be significantly reduced, which will affect Soviet exports of machines and equipment, cultural and everyday goods, and other goods. But in all probability there will be no reduction in the bulk of our exports—fuel and raw material resources.

To my mind, the best solution to this complex problem will be found during the USSR's talks both with the EC Commission and with both German states. The main thing is to ensure that the Soviet Union's economic interests are observed during the unification of the FRG and the GDR and the subsequent integration of the East German state in the EC.

Questions Over CSCE Role in Future Europe

PM0307144590 Stockholm DAGENS NYHETER in Swedish 28 Jun 90 p 12

[Bjarne Stenquist dispatch: "Warning Against Excessive Faith in CSCE"]

[Text] Moscow—The strengthening of the CSCE is a major element in Soviet foreign policy. Nevertheless, there are many people in Moscow who are warning against excessive faith in the possibility of the CSCE playing a stabilizing role in the new Europe.

Leonid Sharin is a solid Russian who is almost 60 years old. With his background as party secretary in the Vladivostok area with responsibility for the defense industry he is a prominent representative of the Soviet military-industrial complex.

He is also the newly appointed chairman of the Supreme Soviet Committee for Defense and State Security Questions.

Asked what view he takes of the CSCE's role in a new European security order, Sharin sat silent for a long time. Then he pulled his spectacles down over his nose, leaned across the table, and said:

"I am having difficulty finding the correct answer, but as we say in Russian: This question is bigger than my wages."

[Stenquist] But a strengthening of the CSCE has repeatedly been urged as most urgent by the Soviet side.

[Sharin] Yes, indeed. All sorts of discussions and negotiations are a good thing. I am an optimist and believe in the usefulness of all sorts of meetings.

[Stenquist] But should the military alliances be the foundation for the future order in Europe?

"Yes, I think that is right," said Leonid Sharin, this time without hesitation.

Sharin's position reflects some of the debate taking place in Moscow about what expectations can be attached to the CSCE as a stabilizing factor. Caution can also be noted on the part of more radical observers than Sharin.

"For the time being at least the CSCE is an organization with a predominantly 'spiritual' nature. We cannot sit back and wait for it to grow strong. That is why we must make use of already existing organizations like the Council of Europe, the EC, NATO, and perhaps the Warsaw Pact, if it can survive in some form or other," said Viktor Konovalov of the United States and Canada Institute.

In the postwar period the European order has chiefly rested on NATO and the Warsaw Pact. However, since the first summit in Helsinki in 1975 the CSCE has continued to work and has become the only forum where Eastern and Western Europe plus the Soviet Union, the United States, and Canada are able to meet to discuss European affairs.

The CSCE has adopted a number of recommendations on human rights, economic cooperation, and so on. These are recommendations which influenced the democratic revolution which East Europe has experienced. The disarmament negotiations in Vienna, which are of great significance to the climate in Europe, are taking place within the CSCE framework.

But the CSCE lacks a firm modus operandi in the form, for example, of a secretariat and regular meetings. Since last fall a series of proposals have been made that the CSCE be "upgraded." A prime mover here has been West German Foreign Minister Hans-Dietrich Genscher.

West Germany is watching with some concern as the Soviet half of the old European order disintegrates. As a result there is the threat that the Soviet Union and its former allies in East Europe will be left up in the air while the Western powers still have NATO, the Council of Europe, and so on, which are still vigorous organizations.

This could increase the Soviet Union's opposition to a united Germany's NATO membership. That is why West Germany, among others, wants to promote the CSCE as a platform where the 35 member nations can discuss the security position in Europe.

The role of the CSCE will be a major issue at the summit meeting of heads of state and government planned for November. At midsummer Soviet Foreign Minister Eduard Shevardnadze said that he would like to see the following concrete decisions made at the meeting:

—regular meetings between heads of government and heads of state and foreign ministers within the framework of the CSCE.
—the establishment of a so-called conflict reduction center.
—the establishment of a small permanent secretariat.

[Stenquist] What does this mean in concrete terms?

"I see a conflict reduction center as a body in which we can exchange data on a daily basis, for example on military maneuvers, troop movements, and other things affecting European security. If any party is worried by what is happening, misunderstandings can quickly be sorted out," said Andrey Kozyrev, head of the Foreign Ministry department for international organizations.

Several Soviet observers also point to the CSCE's role in resolving national conflicts.

But the strengthening of the CSCE has not even been decided yet and has not even begun to function. This worries Vladimir Baranovskiy, head of the World Economics and International Relations Institute's department for West European studies.

"New types of conflicts could arise very quickly, particularly in East Europe. We could also have a major migration in Europe when borders are opened, when the EC internal market is created, and so on. All this could require swift action.

"We will see a race between the spread of these problems and the work to create new pan-European organizations. So simply relying on the CSCE is unrealistic," Vladimir Baranovskiy said.

Differing Western Views on Aid to USSR Noted

PM0207142190 Moscow IZVESTIYA in Russian 26 Jun 90 Morning Edition p 1

[Roundup "prepared by A. Suvorov in Moscow and Yu. Kovalenko in Paris": "Dublin Session of European Council: Changes in Agenda"]

[Text] A few days before the latest session of the European Council, the EEC summit, opened in Dublin on Monday, its prearranged agenda underwent changes. The 12 EEC countries' heads of state and government who have assembled in the Irish capital are to consider an additional question which has not only been widely discussed by the Western media of late, but has caused quite a flurry of diplomatic activity behind the official scenes. The question is whether the West should give real economic assistance to Soviet perestroyka (unofficially, people even name the total value of the possible package of proposals—$20 billion), and, if so, in what form.

Opinion among Western countries' leaders on this score is significantly divided. French President F. Mitterrand and FRG Chancellor H. Kohl are convinced of the advisability of assistance.

Paris believes that the Soviet Union is "in a critical situation" and it should be given immediate assistance. The USSR, F. Mitterrand noted the other day, needs economic reforms, but it also needs assistance, because without it the planned transformations are impossible. "If Mikhail Gorbachev is successful," the French president stressed in an interview for LE MONDE, "it will be in everyone's interests. It will mean that the Soviet people's living standard will improve and it will be possible to make the USSR's legal and political system more flexible, decentralized, and adapted to modern conditions. I believe that Gorbachev can do it, although he is faced with an extremely complex task."

After discussing the matter with F. Mitterrand at a recent meeting in Assmannshausen (FRG), H. Kohl told journalists: "We both believe that the European and industrially developed countries should appreciate that the Soviet Union needs help to be able to help itself. If we wait until the reforms are ready, we may have to wait a long time. I do not think we have that much time." The FRG chancellor set these ideas down in a letter he sent to the leaders of the other EC countries and also the United States, Japan, and Canada.

Washington and London think differently. They believe that the Soviet Union must first provide guarantees of the implementation of genuine reforms leading to a market economy, and only then can financial aid be allocated for specific projects. Britain's THE TIMES believes that the Americans could state other conditions—for example, demand the cessation of Soviet aid to traditional allies and a further easing of the "economic embargo" against Lithuania. France suspects the United States of wanting to impose its own terms, retain the initiative, wait for the right moment, and then take over the entire operation itself.

The EEC countries' leaders are hardly likely to be able to reach final decisions in the two days of the European Council meeting, particular as there are other major issues on the agenda. Obviously, the question of assistance for the Soviet Union will be a central issue at the upcoming meeting of leaders of the seven major Western industrially developed countries 9-11 July in Houston (Texas).

The Soviet Union has not officially asked the West for the aid that is currently being discussed in Dublin. But the Soviet Union believes that any assistance for perestroyka will benefit not only our country, but the entire world community. It is the success of perestroyka that will guarantee the irreversibility of the positive changes they are talking about in the West.

Western Aid Proposals Viewed

PM0407091590 Moscow PRAVDA in Russian 29 Jun 90 Second Edition p 6

[Article by Lev Strzhizhovskiy under the "Viewpoint" rubric: "Aid? Yes! But Without Conditions"]

[Text] Are such once famous English sayings "The higher the fence, the better the neighbors" and "My home is my castle" still valid today? A recent step by the "Common Market" countries—the lifting of customs barriers within the community—refutes the proverb, perhaps retaining it for individuals but denying it for neighboring states. That is how matters stand inside Western Europe, but not on the whole continent. A bloc barrier, even in the form of a fence, still separates West from East. But the lives of its neighbors are clearly visible and their problems attract attention and are gradually becoming common ones. Proof of this is the meeting planned in Houston between the leaders of the seven biggest industrially developed capitalist countries of the West at which they have decided to discuss the possibility of economic aid for the Soviet Union. It is true that the problem will be discussed outside the official agenda.

The usual tradition has been disrupted. Never before have the "Seven" voiced such altruism with regard to the East European countries. I shall say more—and this is stressed by the British newspaper THE TIMES—not a single Western government or any other institution has received requests for aid from the Soviet Union. It is obviously a case of a sober look at the world whose thrust was formulated as follows by the KYODO news agency: "The collapse of the Soviet economy could not only destabilize the political situation in East Europe but also give rise to a mass of problems for the West."

This approach can only be welcomed. An understanding of the inextricability of politics and economics with regard to the East European countries even makes it possible to speak of a Western consensus. This understanding grew and strengthened in particular after the meeting between Presidents M.S. Gorbachev and G. Bush. I shall not be afraid even to call it one of the main results of the talks. But what seemed feasible and relatively easy in politics is blazing a trail for itself with difficulty in the economy. Unfortunately, with the aid of economic sanctions an attempt is being made to put pressure on the Soviet Union to resolve political problems. While saying "A" they deliberately forget to say "B."

In no way do I have in mind formulas which are prescribed for the future Soviet economy. All this talk of denationalizing state property and setting up a market as well as arguments about unemployment are a matter for economists. They are perhaps useful but by no means compulsory. It is far worse when the strategy for future aid is elaborated in advance. Here it is determined one-sidedly. It may be understood that this strategy for Western economic aid is geared mainly toward rendering "soft" support. It is a case forming an economic policy

and organizing production under market conditions. It is difficult to object to it or to oppose such aid. But it can be accepted on one unfailing condition: It must be combined with financial support. And it is the problem of "real" money supported by trade and the repeal of Coordinating Committee for Multilateral Export Controls restrictions which has from the outset given rise to disputes among the "seven."

Positions have already emerged. THE TIMES predicts a "battle" over rendering financial aid to the USSR. On one side of the Houston debate is French President F. Mitterrand, who in a recent interview with LE MONDE expressed himself in favor of implementing the planned program. Paris' ideas enjoy "firm support" from FRG Chancellor H. Kohl. It has been announced officially that at the Houston meeting he "will make public an important aid program based on trade credits."

At the other end of the business debate stand the leaders of the United States, Japan, and Britain, each of whom sets his own conditions for rendering such financial aid. President G. Bush, who does not cease to reiterate that he is in favor of "the continuation of perestroyka," accompanies his assertions on each occasion with a series of political conditions. Priorities change but the system remains. Today it is a case of Soviet aid to Cuba which should be renounced. While declaring his readiness to discuss any topic in Houston, G. Bush recently confirmed yet again that he does not intend to support economic aid for the USSR because "there are very serious obstacles to this." The Japanese government adheres to the same methods. While proclaiming "the inextricability of economics and politics" in its own way, it connects trade and economic relations with the Soviet Union with the solution of the "territorial issue." Japan's participation in the overall strategy of the Houston meeting is being made directly dependent on the Soviet approach toward the problem of the "northern territories."

Britain also defends its position not so frankly but firmly enough. While recognizing the necessity of perestroyka, M. Thatcher demands in exchange for financial aid guarantees of the "reality" of reforms in the USSR. This stipulation is very important. At the meeting of heads of state and government of the "Common Market" countries in Dublin recently, London succeeded in persuading its partners to this viewpoint. I think this position still requires explanation because the partners have instructed the EC Commission to prepare the question.

That is the forthcoming disposition of forces in the Houston debate. The struggle of interests, as at all meetings of the "Seven," is a usual matter. The degree of their selfishness determines the success or failure of the decisions adopted. Today one thing is clear—the questions submitted to the conference are topical and affect everyone's vital interests. But the intention to invite the Soviet Union to take part in the Houston debate from a distance and to dictate to it the political terms under which economic aid will be rendered is a frankly unrealistic position. It tallies neither with the concept of the "European home" or with our perestroyka. There can only be one approach and they should know about it in Houston: aid—yes; political terms—no!

45th Anniversary of UN Charter Viewed

90UF0273A Moscow PRAVDA in Russian
24 Jun 90 Second Edition p 7

[Interview with V.F. Petrovskiy, USSR deputy minister of foreign affairs, by unidentified PRAVDA correspondent; first paragraph is PRAVDA introduction; place and date not specified: "A Code of Conduct for the World Community"]

[Text] We are marking the 45 year-point since ratification of the UN Charter. How is this historic document being perceived in the light of the processes which are currently under way in the world? USSR Deputy Minister of Foreign Affairs V.F. Petrovskiy responds to these and other questions posed by PRAVDA.

[PRAVDA] The Charter was born as a result of the victory over fascism. It embodied democratic ideals defended by millions of lives, in its own way studied the lessons of revolutionary shocks brought about by the thirst for social justice, and took into account the attempts to provide security in Europe on a collective basis which were undertaken following the First World War. In this lies its historical significance and the main reason for its durability and present-day application. What is the substance of the democratic ideals laid down in the UN Charter and how are these being interpreted in current interstate relations?

[Petrovskiy] The Charter had the farsightedness to record that fulfillment of the main mission of the United Nations—of maintaining international peace and security—would be determined by the interrelationship not only between states and their official institutions but also by relationships among individuals, among peoples. It is no accident that practically the first major document adopted following signing of the Charter was the Human Rights Declaration, which today is rightly seen as an integral part of the United Nations Charter. Its adoption (unfortunately the USSR abstained for reasons well known) stressed an understanding of the fact that observing the rights of the individual and democratic norms in all countries without exception is just as important as disarmament, conflict resolution through peaceful means, and facilitating the social and economic progress of peoples. At the same time, in developing the concepts laid down in the Charter, the Declaration raised to a new level the very concept of human rights, including not only personal freedom parameters, but socioeconomic rights as well.

[PRAVDA] Even in view of all the importance of the United Nations Charter and the Declaration of Human Rights, it is evident that over the course of many years

neither document has really worked. What is this—a sign of their pretentiousness, their isolation from actuality?

[Petrovskiy] I would not put it that way. The problem is not defects in the documents but lies in the fact that following the war we saw a swift deformation in the foundations of peace and international cooperation which had been laid down on the crest of victory. We will not now get drawn into a discussion as to how and by whom the cold war was begun. We will note only that the systematic and mass suppression of human rights was one of the most significant sources of this swing in international relations so destructive for all mankind. No matter how loudly delegates of the 19th CPSU Congress applauded I.V. Stalin when he attempted to represent himself as the standard bearer of the protection of individual freedoms, and no matter how strong was the propagandistic campaign of the West with respect to human rights, international relations during the period of the cold war turned away from man and entered into the service primarily of satisfying great-power and ideological ambitions. Accordingly, the United Nations was transformed from an instrument engaged in the joint search for resolution of problems confronting mankind into a mainly prosecutorial forum, and international law was placed in the service of politics. As a result, the UN Charter and Declaration of Human Rights came to be seen as beautiful—but unrealized—dreams.

Only today, now that a new thinking has entered into world politics, has it become possible to turn to a realistic implementation of these historic documents. The concepts of the new thinking did not emerge yesterday—they were nurtured in the depths of social consciousness, prepared by such prominent scientists and thinkers as F. Joliot-Curie, A. Einstein, B. Russell, and A. Sakharov. We see the merit of perestroyka in the fact that it has permitted us to enrich the concepts of this new thinking and raise them to the level of interstate cooperation, begin to embody them in the practice of international relations.

Leaving World War II behind, having conquered the totalitarian empire of fascism in its variety of national manifestations, mankind was not immediately able to adapt its life to democratic ideals. But this process was taking place, albeit not as swiftly as we would have liked, during the years of the cold war and interbloc confrontation. West Europe moved more quickly in this direction. But East Europe—and we too—clearly lagged behind, and now are compelled to make up for lost time in quick order. Of course, one will not find the absolute embodiment of democracy and full respect for human rights anywhere. All governments and political systems are imperfect in this regard. It is significant, however, that for the first time the international community is presently coming to understand that human rights do not comprise a sphere of ideological confrontation or interference in internal affairs, but are instead a universal aim, the general concern of us all, an integral part of the all-encompassing system of peace and security supported by the UN Charter.

[PRAVDA] The UN Charter was not originally intended for the cold war period. Nonetheless, the structure of the organization and the procedures according to which it operates were broken in primarily during these years. Presently we are living in an era of stormy changes. Do you think these structures will be able to adapt to the new conditions, or will we have to make decisive changes in them?

[Petrovskiy] Thanks to the fact that the UN Charter was conceived as guidance for structuring relations of peace and cooperation among democratic states united in pursuit of a common human goal, it has shown itself to be durable. The multifaceted structures established based on it are enduring the trials of the swiftly running changes we see today. Moreover, they are facilitating realization of these changes to a significant degree, yet are helping to maintain stability during the process of change—earlier considered difficult to achieve. Today the Security Council, General Assembly, secretary general, and other organs and specialized institutions are undergoing a period of distinctive renaissance. The results of their activity are apparent in conflict settlement, disarmament, decolonization, development of cooperation in the socioeconomic sphere, and in resolving issues of human daily life. An example of this can be seen in the Convention on the Protection of Children's Rights, adopted at the 44th session of the UN General Assembly.

[PRAVDA] Newspaper reports on the operation of UN organs sounded like combat reports over the course of many years—some were victorious, others remained isolated; we managed to enlist some countries as allies, others remained enemies. What colors do we presently see on the international palette?

[Petrovskiy] It is an important process we are now observing in all international organizations—overcoming former bloc borders, striving for consensus, seeking partners in the resolution of problems which confront mankind irrespective of ideology. Such a process would be impossible, of course, without the normalization in Soviet-American relations. For the first time in the entire history of the United Nations a joint Soviet-American political initiative was possible at the latest session of the General Assembly. Incidentally, the discussion on United Nations matters with U.S. Deputy Secretary of State G. Bolton will be extended at the beginning of July in Moscow.

However, a characteristic feature of the current phase of international relations, as opposed to previous periods of "Soviet-American thaw," is the fact that we have presently managed to avoid an opposition between Soviet-American relations and the interests of other members of the international community. The harmonization of interests of various states is also served by a newly charted role in support of international peace, the common European process, regional organizations, etc. Additionally, it is important that these structures not oppose the United Nations, that they work together in

the name of peace, affirmation of freedom, and the prosperity and well-being of all peoples and all individuals.

Human Dimension Conference Document Welcomed

PM0307083390 Moscow IZVESTIYA in Russian 1 Jul 90 Morning Edition pp 1, 4

[Report by TASS correspondents N. Vukolov and Ye. Kiselev specially for IZVESTIYA: "Historic Consensus; Final Document Adopted at Human Dimension Conference"]

[Text] [no dateline as published] Sometimes the pace of things visibly hots up. Just a week ago, the auditoriums and foyers of the capital's gigantic Bella Center complex, where the second conference of the CSCE Conference on the Human Dimension was being held, were quiet and virtually empty, with journalists leisurely swapping notes over cups of coffee and secretariat staff walking unhurriedly past with papers in their arms.

This calm was deceptive, however. The conference's four working groups have been working hard, scrupulously studying the multitude of proposals from the participant-countries' delegations and drafting the complicated texts that would form the basis of the final document.

Well, we can now say with satisfaction that their efforts were not in vain: On 28 June, in line with CSCE procedure, the delegations from all the countries taking part in the conference adopted the final document, which many very graphically describe as "The European Constitution on Human Rights."

We think there is every reason for this kind of appraisal. A really vast, very detailed document comprising five sections and 45 points and encompassing the broadest possible range of human rights problems has now appeared. Essentially, it signifies the beginning of extensive cooperation in the sphere of the human dimension in a spirit of commitment to the ideals of democracy and political pluralism and countries' determination to create democratic societies while guaranteeing the supremacy of the law.

Indeed, take the first section, which enshrines the principles of a rule-of-law state and democracy. It discusses the holding of free elections by secret ballot and readiness to invite observers from any CSCE state to these elections, on the condition that they do not interfere in the actual election procedure. It solemnly states that elements of justice are hitherto to include the responsibility of the government and state authorities to abide by the constitution; also clear demarcation between the state and political parties, with individuals and groups of individuals having the right to form their own political parties or other political organizations in conditions of political freedom. This category also includes points such as a representative form of government, under which the government is answerable to legislative bodies, or the provision that armed forces must be under the control of the civil authorities and be answerable to them and that the independence of judges and the unimpeded functioning of the legal system must be guaranteed.

It is impossible to list every point and proposal here, so we will note only those which are, in our view, the most important. If we look closely, many of the document's provisions and principles make up the fabric of a common rule-of-law entity for Europe. This joint Soviet-French initiative proposed in Paris was developed on at the conference.

It goes without saying that, given the complexity of the problems discussed, it was not always possible to reach a total consensus. Take the question of abolishing capital punishment, for example. But it is important to point out that even here the sides agreed to work in the direction of gradually phasing out this form of punishment. Measures to exempt people from military service for reasons of conscience will also be discussed in the future.

The question of ethnic minorities was one of the most difficult at the forum. Attending the plenary sittings, I heard sharply worded speeches by representatives of many countries. Indeed, these problems affect many countries to various degrees, with blood being shed and interethnic conflicts flaring up that are hard to extinguish. It is especially gratifying that a spirit of compromise and rapprochement of views prevailed, which is reflected in the fourth section of the document. In particular, it confirms the right of persons belonging to ethnic minorities to freely use their own native language in private and public life, form their own educational, cultural, and religious institutions, organizations, or associations, and practice their own religion. It was decided to discuss the question of convening a conference of experts for a comprehensive debate on the problems of ethnic minorities.

The silhouette of a man making every effort to break through a circle is the emblem of the conference in Copenhagen—an emblem imbued with deep symbolism. After all, until recently, human rights problems were complex and contradictory and covered in such a dense shroud of mutual suspicion and mistrust that breaking through this truly vicious circle of grudges and mistrust did not seem possible. But a departure from the old confrontational approach was clearly apparent in the Bella Center and words such as "dialogue" and "compromise" were heard more often. Such was the atmosphere in the Bella Center on the island of Amager, where, as the head of the U.S. delegation, M. Kampelman, said, "a historic consensus has been reached."

Indeed, the very fact that 33 European countries, the United States, and Canada have adopted such a code of principles in the humanitarian sphere for the first time attests to the continuation and development of the entire Helsinki process. We must point out that the discussion

and speeches were, of course, accompanied by the subject of another forum, coming up soon: the all-European summit meeting in Paris, which served as a kind of backdrop to the conference. People are aware that decisions are expected to be adopted on many questions in the French capital and then later in Moscow: at the third conference of the CSCE Conference on the Human Dimension in September 1991. That is why the phrase "Until the meeting in Moscow!" was heard so often during the last days of the forum's work.

We asked Yu.A. Reshetov, head of the Soviet delegation, to share his opinion on its results. The participants in the conference, he said, feel it has superior importance in many respects to the previous conference in Paris. Some are even of the opinion that the results achieved are in some ways comparable to the Helsinki Final Act.

Clearly, if the conference decisions are consistently implemented, a new basis will be created for the guaranteed fulfillment of the broadest range of human rights. It must be said that the Soviet delegation has acted openly on all these questions. Cooperating with other delegations, we are the coauthors of more than 10 proposals.

The achievements of Copenhagen substantially deepen the humanitarian aspect of all-European cooperation and consequently help to strengthen and develop the Helsinki process itself in its main aspects. And, of course, all this proceeds from the premise that the forum's results must be raised to an even higher level in a year's time in Moscow, the Soviet diplomat pointed out.

Gorbachev Greets International Space University

PM0307101190 Moscow IZVESTIYA in Russian 27 Jun 90 Morning Edition p 4

[Message from USSR President Gorbachev "To the Organizers and Participants in the Summer 1990 Session of the International Space University, Ontario, Canada"]

[Text] Dear friends!

Please accept my congratulations and sincere wishes for success for the latest session of the International Space University now opening.

The ideas embodied in the creation of the university are an original concept for international cooperation in the field of training highly qualified cadres for the development of the general human asset that is space. The unique combination of opportunities to create relations of friendship and mutual understanding among young people and of the supreme standard of the teaching cadres makes it possible to speak of the formation of specialists of a new type who will carry the ideas of good and comradeship through their whole lives. After all, we can make effective and harmonious use of near-earth space and develop the man and prepare a manned flight to Mars only by pooling the moral and scientific and technical potential of all states and by basing ourselves on a common system of values and priorities.

I am particularly pleased that, meeting every summer on the basis of the world's best known universities, the summer 1991 session of the international space university will come to the USSR, where I hope the Moscow aviation institute will be a worthy continuer of this tradition.

I wish you creative and fruitful work.

[Signed] M. Gorbachev, USSR President.

ILO Director Interviewed on Labor Principles

LD3006012190 Moscow TASS in English 1626 GMT 29 Jun 90

[By TASS correspondent Vitaliy Makarchev]

[Text] Geneva June 29 TASS—A dialogue between social partners—entrepreneurs, workers and the state—is the fundamental principle of progress today, International Labour Organisation (ILO) General Director Michel Hansenne told TASS in an interview on the results of the 77th ILO general conference.

Industrial problems cannot be solved without the participation of those whom they involve. Freely elected representatives of employees and employers, together with the state, should have the right to resolve social problems the society will face in near future, he said.

Some of the world's leading sociologists believe the social partnership principle has helped stabilize the situation in industrial countries of the West after the World War II, Hansenne said.

The principle is based on a compromise between employees and employers concerning labour conditions and distribution of profits. The state plays an active part in reaching the consensus that finds its specific expression in signing a trade agreement, he said.

The ILO, which is sometimes called the "World Labour Parliament," activities are based on this fundamental principle. Even ILO triple structure, with equal participation of government representatives, employees and entrepreneurs, stresses its wish to build social peace, he said.

United States & Canada

Bush Cited on Question of Granting Aid

PM0307143390 Moscow SOVETSKAYA ROSSIYA in Russian 1 Jul 90 Second Edition p 5

[TASS report under the general heading: "Block of Contradictions. On Prospects for East-West Relations"]

[Text] Washington—U.S. President George Bush has frankly admitted the existence of disagreements in the positions of Washington and certain leading West European countries regarding economic aid for the Soviet Union.

"There are certain disagreements in our alliance on this question," he declared at a news conference held at the White House Friday. "I have endeavored to be very frank and open not only with the allies but also with the Soviet Union on the question of the difficulties that we have on this plane at the present stage." The President pointed out that at the present time, when the economic transformations have not yet been implemented in the Soviet Union, the United States is not prepared to support the proposal advanced by Bonn and Paris to assist the USSR but "wants to help in implementing the reforms." "We can do a great deal in terms of organizational assistance," he added.

Answering a question about whether the United States will oppose the West European allies' granting direct economic aid to the USSR, the U.S. President said: "In normal circumstances the very best option for the North Atlantic alliance would be to act together. And I expect we will discuss this question not only in Houston but also, maybe, at the meeting of NATO leaders."

Earlier Bush said in an interview with a group of West European journalists: "I do not think that the question of economic support and monetary funds for the Soviet Union should be examined in the context of supporting Gorbachev or not. It is a question that the Soviet Union itself must decide. You know my position and the administration's position, which is one of resolute support for perestroyka. However, we do not want to go so far as to tell the Soviet Union how it must conduct its affairs."

The head of the White House repeated once again that for the United States "certain problems exist in the sphere of granting monetary funds to the Soviet Union"—legal and certain political problems that must be resolved before it is possible to begin "generous funding" of the Soviet Union's efforts to restructure the economy. The President named as one of these problems the Soviet aid for Cuba, which, he said, "could be used to help the Soviet people."

I must undoubtedly give President Gorbachev his due, because I can discuss all questions with him in an exceptionally open atmosphere, the President pointed out in the interview. "We want to try to assist the reforms being carried out in the Soviet Union," he stated. "We take great interest in the steps taken by Mr. Gorbachev and will support them."

Cheney Urges 'Cautious Approach' in Relations

PM0407141390 Moscow KRASNAYA ZVEZDA in Russian 1 Jul 90 First Edition p 3

[Dispatch by TASS correspondent S. Lunev: "Cautious Approach Maintained"]

[Text] Washington, 30 Jun—The likelihood of a military conflict between the United States and the USSR is now smaller than at any time since World War II. U.S. Defense Secretary Richard Cheney stated this in an interview with THE WASHINGTON TIMES. At the same time, he stressed, the Soviet Union "remains the only country in the world that has the potential—it may not have the intention—to destroy the United States."

Noting "a number of positive signs in the conduct" of the Soviet Union, Cheney stated that, in his opinion, "at the present time, the administration's most important duty is to ensure the security and survival of the United States. We are obviously in a position where we can reduce defense expenditure and save resources for other purposes, but I believe that caution and prudence should remain on the agenda."

In the opinion of the head of the Pentagon, for NATO now "the time has not yet come to give up its long-term policy of flexible response," which envisages the threat to use nuclear weapons in order to "forestall a possible enemy attack."

THE WASHINGTON TIMES noted that Cheney came out against granting the Soviet Union "direct U.S. economic aid." On the whole, the paper emphasized, "U.S. Defense Secretary R. Cheney retains his tough, skeptical, and extremely cautious approach regarding the large-scale changes taking place in the countries of Eastern Europe and the Soviet Union."

Bush, Gorbachev Welcome New USSR-U.S. Weekly

LD0407205690 Moscow in English to Great Britain and Ireland 1900 GMT 4 Jul 90

[Text] A new Soviet-American weekly will go on sale shortly in Moscow, Leningrad, and Kiev. The paper, titled 'MY' or 'WE', will simultaneously become available in the United States. President Bush and President Gorbachev have welcomed the publication. The Soviet leader said he was convinced that an accurate coverage of life in the two countries could lay another bridge between the two nations in the name of the lofty ideals of humanity, and Mr. Bush hoped that the exchange of ideas would help to cement the new peaceful relations emerging between the two nations.

Minister Denisov on U.S. Health Cooperation

PM0307152990 Moscow IZVESTIYA in Russian 23 Jun 90 Morning Edition p 4

[Interview with USSR Health Minister I.N. Denisov by IZVESTIYA correspondent A. Blinov: "USSR-United States: Cooperating Doctors"—first paragraph is editorial introduction]

[Text] Washington—The 10th session of the Soviet-U.S. joint commission on cooperation in the sphere of health care has ended in Washington. I.N. Denisov, USSR minister of health and Soviet co-chairman of the commission, now describes its results in conversation with your IZVESTIYA correspondent.

The Soviet-U.S. agreement on cooperation in the sphere of health care and medicine has been in operation for 18 years now. These have been years of active contacts and moments of decline. The present period is the most productive.

In recent years we worked on 10 main themes. We have collaborated most productively on some of them, for example in the sphere of cardiological research and the fight against the spread of viral infections, including the AIDS epidemic.

The present session of the joint commission took place right after the Soviet-U.S. summit, which gave a qualitatively new character to cooperation between our countries. Together with our partners—the U.S. part of the commission is headed by L. Sullivan, U.S. secretary of health and human services—we agreed to deepen our cooperation and extend it to new areas.

Primarily these are measures to protect maternity and children's health. As is well known, the paramount significance of this area of health care in our country was enshrined in a recent decree of USSR President Gorbachev. In addition, the U.S. side expressed a readiness to take part in the activity of the International Research Center that is being created at Obninsk in the USSR which will work on the medical consequences of the accident at the Chernobyl nuclear power station—a problem not only of special significance for our country but of truly global character.

We attach great importance to joint work in the pharmacology sphere. The serious problems which we are encountering here are well known. Soviet industry satisfies 40-45 percent of our needs. Until recently we made only slight use of the U.S. drugs market. It is impossible to sharply increase purchases of drugs. However, we can count on significant results from joint work in the sphere of developing medicines, their registration and clinical testing and, finally, their production.

You can see that joint cooperation is helping to eliminate the "trouble spots" in our health care. The United States also has an interest in cooperation with us. For example, the 20-year cooperation between cardiological schools in the two countries has led in a certain sense to a merging of USSR and U.S. scientific guidelines in this important sphere of medicine. We want to know more about how the United States uses nonbudget sources of health finance. Familiarization with the Soviet experience of first aid is of definite significance for the United States.

Contacts between medical institutions and university faculties are next in line. For example, the medical school of New York's Columbia University and the USSR Academy of Medical Sciences in Moscow have already begun exchanging students. Reciprocal work experience for young specialists and teachers is being planned. An accord has been reached on holding a joint conference on questions of medical education.

I am sure that the next session of our joint commission, a jubilee session to be held in Moscow in 1992, will be able to demonstrate important, concrete results of our cooperation in the sphere of health care and medicine, which by that date will be marking its 20th anniversary.

Lukyanov, Young U.S. Leaders Discuss Relations

PM0307100190 Moscow PRAVDA in Russian 29 Jun 90 Second Edition p 7

[Unattributed report: "Meeting With Young Leaders"]

[Text] On 28 June A.I. Lukyanov, chairman of the USSR Supreme Soviet, received in the Kremlin a large group of participants in the second meeting of young leaders of the Soviet Union and the United States held 21-27 June in Dagomys.

The young politicians and public figures, political scientists, businessmen, military men, lawyers, scientists, and cultural figures from the United States who are already exerting marked influence on the political processes in their country listened with great interest to A.I. Lukyanov's report on the present stage of Soviet society's socioeconomic and political development and on the connected diverse and complex processes and the role of the USSR Supreme Soviet in resolving the tasks facing the country. Emphasis was placed on the importance of the meeting between the USSR and U.S. leaders, which has become a very important event in the process of the profound positive changes in the world. It was noted in particular that the two countries' young leaders can and must set an example of readiness for partnership and rejection of confrontation and make a contribution to the materialization of the Soviet-U.S. summit accords.

The U.S. guests voiced satisfaction at the opportunity to gain a closer acquaintance with the progress of perestroyka in the USSR and to discuss in a businesslike and frank way with their Soviet partners various aspects of bilateral relations and topical questions of world development.

A.I. Lukyanov answered the questions of those taking part in the meeting relating both to the most important aspects of Soviet society's life and to the most acute problems of modern international relations.

The meeting passed in a friendly atmosphere.

Primakov Attends U.S. Embassy 4 Jul Reception

PM0407162790 Moscow IZVESTIYA in Russian 5 Jul 90 Morning Edition p 4

[TASS report: "Reception at U.S. Embassy"]

[Text] J. Matlock, U.S. ambassador to the USSR, held a reception 4 July on the occasion of Independence Day.

Present at the reception were Ye.M. Primakov, member of the USSR Presidential Council and candidate member of the CPSU Central Committee Politburo; I.D. Laptev, chairman of the USSR Supreme Soviet Soviet of the Union; S.A. Sitaryan, deputy chairman of the USSR Council of Ministers; and other officials.

TASS Interviews U.S. Envoy on 4 Jul Holiday

LD0407205990 Moscow TASS in English 2004 GMT 4 Jul 90

[By TASS correspondent Konstantin Voitsekhovich]

[Text] Moscow, July 4 TASS—Jack Matlock, U.S. ambassador to the USSR, said that Soviet-American relations had good prospects for development. He gave an interview to TASS on the occasion of Independence Day, a U.S. national holiday, observed today.

On results of the recent meeting between Mikhail Gorbachev and George Bush in Washington, Matlock noted that the groundwork for improving the relationship between the USSR and the United States in all areas was laid down at it.

He said genuine partnership was emerging in some areas of bilateral relations. For instance, the USSR and the United States had joined efforts in creating conditions for Cuban troop withdrawal from Angola, in gaining independence by Namibia, and in holding free elections in Nicaragua.

Matlock pointed out that there were still differences on many issues, but they should not be an impediment to the improvement of Soviet-U.S. relations.

Touching on prospects for the Soviet Union's cooperation with Western countries and, above all, the United States, Matlock noted that in his view the matter in this case was not soft credits or presents. He said that mutually beneficial projects that will simultaneously help move forward reforms in the Soviet economy could become an optimum form of economic interaction.

Northeast Asia

Compromise Improves Relations With South Korea

PM0307135190 Moscow PRAVDA in Russian 1 Jul 90 Second Edition p 7

[Vsevolod Ovchinnikov "View From Moscow": "Asian Echo of American Meetings"]

[Text] The recent Soviet-U.S. summit meeting confirmed that the restructuring of our foreign policy is of a global character. The USSR-U.S. shift away from confrontation to cooperation and from rivalry to partnership, along with the creation of new security structures that would serve as a reliable foundation for an all-European home, are not Moscow's only priorities. The Soviet Union is dynamizing its diplomacy founded on the new thinking in all spheres—both in the West and in the East—following the guidelines mapped out in Vladivostok and Krasnoyarsk. The active transformation of the Asia-Pacific region into a zone of peace and cooperation constitutes one of our program aims.

The USSR president spoke of his commitment to this course at a Washington news conference. The meeting between M.S. Gorbachev and No Tae-u in San Francisco dealt a daring blow to the "cold war" barriers in Asia. It is no exaggeration to say that this final episode of the American tour was the most sensational. Many states' leaders regarded it as an historic event whereby the processes of detente broke through from Europe to Asia.

Direct contacts at summit level between Moscow and Seoul are radically undermining the structure of military confrontation in the Far East and removing one obstacle to the implementation of the idea of an all-Asia community—which is the essence of the Vladivostok and Krasnoyarsk initiatives. It is gratifying that Beijing, along with Washington, expressed a positive attitude to the San Francisco meeting. The Chinese Government said that it welcomes any actions by any state promoting North-South dialogue and positive processes on the Korean Peninsula. Australian official circles have voiced the opinion that an improvement in Soviet-South Korean relations would create favorable preconditions for the USSR to participate in conferences on Asia-Pacific economic cooperation. Many observers believe that it becomes pointless to keep U.S. garrisons in South Korea in the absence of hostility between Moscow and Seoul.

"The changes taking place in Asia owing to Gorbachev's policy are truly radical," THE NEW YORK TIMES writes in an editorial. "He has agreed to eliminate more than 400 intermediate-range missiles in the Asian part of the USSR. He has promised unilateral cuts of 200,000 men in the armed forces in the east of the country—proportionally speaking, this exceeds his announced cuts in Europe. He has withdrawn Soviet troops from Afghanistan and facilitated the Vietnamese withdrawal from Cambodia. He is now about to reduce the Pacific Fleet by a third and bring home forces deployed in Asia

outside Soviet territory—primarily in Vietnam's Cam Ranh Bay. Gorbachev has begun dialogue with China. He is prompting North Korea to establish relations with the South. All these events are lessening the threat to U.S. interests in the Far East and revealing an opportunity for considerable cutbacks in the U.S. military presence there."

There is no doubt that the meeting in San Francisco will ease the quest for ways to achieve good-neighborliness in the Asia-Pacific region and will, in particular, help to reduce tension on the Korean Peninsula. What specific steps could primarily promote this? In my view, we should go back to the idea that M.S. Gorbachev voiced in Krasnoyarsk. Two years ago he proposed discussing on a multilateral basis the question of reducing military confrontation in areas where the borders of the USSR, the PRC, Japan, the DPRK, and South Korea converge, with a view to freezing and proportionately reducing the levels of naval and air forces and limiting their activity. It was also proposed to discuss the question of a negotiating mechanism dealing with security problems in Asia and the Pacific.

South Korean President No Tae-u subsequently voiced an idea consonant with this in many respects. He proposed that representatives from Moscow, Washington, Beijing, Tokyo, Pyongyang, and Seoul come to the negotiating table together to exchange opinions on the reduction of tension and on confidence-building measures in Northeast Asia. Japanese Prime Minister Kaifu spoke of his readiness to begin discussions of this kind involving the six countries. The United States must indeed also participate along with the five countries enumerated in Krasnoyarsk. It would surely also be advisable to add Mongolia and Canada to this list in order to ensure that the discussion is even more representative.

The profound effect on the political atmosphere in the Asia-Pacific region produced by the meeting between Gorbachev and No Tae-u is particularly clear in the example of Japan. Like the Soviet leader's visit to Beijing last year the news from San Francisco gave rise to a reasonable question among the Japanese public: Is Tokyo not isolating itself by disregarding positive changes in the region?

Until recently official circles in Tokyo shunned collective discussion of the problems of Asia-Pacific security. They claimed that regional problems, including the dispute over the "northern territories," should be settled before beginning anything like the all-European process in Asia. Japanese participation in opening up natural resources in Siberia was made conditional on Soviet concessions here. Tokyo's "hard-line stance" is becoming pointless now that Seoul is prepared to grant capital, technology, and equipment for this.

Prime Minister Kaifu said recently that President Gorbachev has informed him in writing that he intends to visit Japan early next year. The head of the cabinet believes that the first Japanese-Soviet summit meeting will extend the wave of change sweeping the world to the Asia-Pacific region and impart a truly global character to these processes. According to Kaifu, the Japanese Government does not condense its relations with the Soviet Union into territorial problems alone but intends to broaden these relations in a balanced manner.

However, it must be pointed out that the question of the "northern territories" is still the key issue in the commentaries relating to Gorbachev's impending visit. Moreover, sober voices saying that readiness for mutual concessions is what is needed to solve this problem (Ozawa and Kanemaru, prominent members of the ruling party, have advocated this) elicited a sharply negative response from the Foreign Ministry. However, in the opinion of such prestigious specialists as Professor Asai of Tokyo University, it is more sensible for Japan to develop relations with the USSR without laying the stress on the territorial problem at all. It can be settled by future generations, the natural course of history, in the process of deepening trust and good-neighborliness. Asai recalled that this is illustrated by experience in resolving the dispute between Tokyo and Seoul over Takeshima island.

Different views clearly prevail in the Japanese mass media right now. Most commentators believe that the changes in East Europe coupled with the worsening difficulties in the Soviet economy, along with the desire to advance the Vladivostok-Krasnoyarsk initiatives, will compel Moscow to accommodate Tokyo and revise postwar realities. I do not think it is at all wise or far-sighted to count on one-sided concessions. Only a mutually acceptable compromise can produce a way out of the deadlock.

We must seek out such a compromise in earnest. Under the San Francisco peace treaty of 1951, Japan renounced its rights to the Kuril Islands; however, it subsequently began to deny that the "northern territories" are part of the Kurils. If that is the case, why not, for instance, hand over Iturup, Kunashir, Shikotan, and Habomai to UN guardianship and declare them a special economic zone under joint USSR-Japanese ownership? Other options that suit both sides could, of course, also be discussed.

I wholly share Prime Minister Kaifu's opinion that the normalization of Soviet-Japanese relations, the reduction of tension on the Korean Peninsula, and a political settlement in Cambodia would be of key significance for peace and stability in the Asia-Pacific region. I would hope that the coming summit meeting in Tokyo—like the recent one in Washington and last year's summit in Beijing—will be an appreciable milestone on this path.

Conference Voices 'Concern' Over Korean Unity

LD0407192390 Moscow TASS in English 1651 GMT 4 Jul 90

[By TASS correspondent Vladimir Nedashkevich]

[Text] Pyongyang July 4 TASS—Participants in the Conference of Representatives of the North Korean Government, Political Parties and Public Organisations voiced their concern over the current state of Korean unification.

The conference was held here on Tuesday in connection with the 18th anniversary of the signing of the joint North-South statement that determined three unification principles—it should be independent, peaceful and conducted on the basis of national consolidation.

The South Korean authorities' negative attitude to North Korean proposals for a democratic confederative Republic of Korea was assessed by participants in the conference as South Korea's unwillingness to adhere to the unification principles.

A statement adopted at the conference reads that references to a "threat from the north" are nothing but a lie. It suggests signing a non-aggression declaration between the North and the South.

"Our doors are always open to dialogue between the North and the South," the statement reads. "The most authoritative form of a dialogue is a political consultative conference with the participation of authorities, political parties, public organisations and various layers of population of the North and the South."

"We hope that the forthcoming military and political negotiations between prime ministers will be successful and pave the way to negotiations at the presidential level," the statement reads.

The road to unification is hard, but a historic unification of the motherland should triumph in the 1990's, the statement reads.

Meeting of DPRK, ROK Prime Ministers Likely

SK0507013690 Moscow International Service in Korean 1100 GMT 3 Jul 90

[Text] It is now quite likely that talks between the premier of the DPRK State Administration Council and the ROK prime minister will be held in August. This has been revealed at the preliminary talks between the North and South delegations held in Panmunjom. The fundamental result of the meeting today was to define the general outline of the agenda of the forthcoming talks. The talks will be called high-level North-South talks.

North-South Dialogue To Resume

SK0507020690 Moscow International Service in Korean 1100 GMT 3 Jul 90

[From the "Asian News" program under the "Focus on Asia" program]

[Text] The delegates of the DPRK and South Korea agreed today to prepare official documents for the premier-level meeting to be held between the two sides. The delegates of the North and South met at Panmunjom in the DMZ dividing the Korean peninsula in two. It has been reported that the two sides agreed to sign within this month the documents on the meeting of the premiers of the DPRK and South Korea. This meeting can be held this August, and will deal with political and military issues and the issue of North-South exchange. The fact that dialogue has been resumed is highly valued as a step for the normalization of relations.

North Koreans Go On Trial for Illegal Fishing

LD0507090390 Moscow TASS in English 0848 GMT 5 Jul 90

[By TASS correspondent Leonid Vinogradov]

[Text] Nakhodka July 5 TASS—Ten North Korean captains, charged with illegally catching salmon in Soviet waters, went on trial in the Far Eastern Port City of Nakhodka today.

A total of 12 North Korean ships were detained by Nakhodka naval border guards a month ago, after causing an estimated eight million roubles worth of damage.

Two captains have been ordered to pay 10,000 roubles in fines. Their vessels are being detained until they pay the fines.

Strangely enough, while North Korea has no diplomatic relations with Japan, more than half of the crews are Japanese citizens.

Japanese sailors have no claims to the Soviet side for their detention. Koreans call it a provocation, according to Soviet reporters who met officials from Korea's consulate general.

The responsibility of every sailor will be determined in accordance with current international fishing laws, Nakhodka Chief Judge Boris Manoshkin told TASS.

The fact that the captains have refused to stand trial, saying that they do not recognise Soviet laws, will not help them evade responsibility, he said.

"Enough facts have been gathered providing their gross violation of fishing laws," Manoshkin said.

Japan's Hokkaido Governor Holds News Conference

OW0307135190 Moscow in Japanese to Japan 1000 GMT 30 Jun 90

[From the "Soviet Far East News" program: report filed from Yuzhno-Sakhalinsk city by reporter (Viena Yvochelva) on Hokkaido Governor Yokomichi's news conference held "a few days ago;" place not specified]

[Excerpts] At the news conference, Governor Yokomichi and (Theodrov), chairman of the Sakhalinsk Oblast Executive Committee answered questions of reporters from both Sakhalin and Hokkaido. The most pressing question concerns the so-called northern territorial issue.

TASS reporter (Velchkin) began by asking the following question: Governor Yokomichi, since I attended the first meeting held between the Soviet Far East and Hokkaido, I have been watching the governor's activities. Your activities can be said to aim at promoting friendship and a closer relationship between Hokkaido and Sakhalin. However, I feel that it can be said that no major developments have been made in this concern during the past five years since the first meeting was held. Because of the territorial issue, we have failed to promote the development of our relations. The Soviet Union is now sounding out the third way to settle it.

It is a concept proposed by several deputies to the Supreme Council, including [name indistinct], Mr. Yeltsin, and Mr. (Guruv) who is present here. Mr. Governor, what do you think of this concept?

[Begin Yokomichi recording] I think that to further turn the relationship between Japan and the Soviet Union into a more friendly one, it will be necessary to settle the territorial issue first and then sign a peace treaty. I have heard about the proposal made by Mr. Yeltsin and others. However, I do not know the details of the third way very clearly.

In the past, the Soviet side insisted that the territorial issue did not exist. In view of this fact, I think that we should welcome the change in the Soviet approach because it is now held that the territorial issue exists and that the issue must be settled. [passage omitted] [end recording]

After Governor Yokomichi made these remarks, a Sakhalin reporter asked if the governor held that the conflict in views concerning these islands should be settled by politicians of the two sides and if he regarded the exchanges between Sakhalin and Hokkaido as issues existing between neighbors.

[Begin Yokomichi recording] I feel that settling the territorial issue at an early time and in an appropriate way will be desirable for Japanese-Soviet relations. In this connection, I hope that these issues will be settled through Foreign Minister Shevardnadze's visit to Japan in September as well as President Gorbachev's visit next year. As your neighbor, Hokkaido sincerely hopes that the relationship of mutual confidence will be built between Hokkaido and the Soviet Far East, including Sakhalin. We hope that you will understand that we have visited Moscow, Sakhalin, and Vladivostok this time to express these feelings of ours. [end recording]

This is what Governor Yokomichi has stated.

Moreover, in replying to reporter (Yovochelva)'s question on the outcome of their visits, Governor Yokomichi touched on the territorial issue and stated as follows:

[Begin Yokomichi recording] There is another point that I would like to mention here. Two years ago, I had a chance to visit Moscow. Whenever I talked to people from various circles about the territorial issue, we could not carry on talks because no distinct views were stated on the issue. However, this time I have noticed some changes in your way of handling the issue. You have stated your understanding that the issue exists in relations between Japan and the Soviet Union, and that because the issue exists, it should be settled. I highly appraise these changes, and I feel that our visit this time has been very fruitful. [end recording]

Then, a Japanese reporter asked Sakhalinsk Oblast Executive Committee Chairman (Theodrov) the following question: The South Kurils belong to Sakhalin Oblast, and I would like to ask two questions about the territorial issue. Do local residents share the same views as you on the current situation concerning this issue? This is the first question. The second one concerns the prospects for the settlement of this issue.

In response, Sakhalinsk Oblast Executive Committee Chairman (Theodrov) answered as follows: [(Theodrov) is heard speaking briefly in Russian fading into Japanese translation by announcer] I think that talks about the territorial demand at the current stage is not only behind the times but also unconstructive. It would be wrong to think that the Soviet side has shifted to a softened position. I would refrain from making any predictions on the outcome of Foreign Minister Shevardnadze's as well as President Gorbachev's scheduled visits to Japan. However, if Sakhalin Oblast should be neglected, no problems could be settled.

The Kuril islands will continue to be Soviet territories, and as far as we are concerned, this issue does not exist. However, as far as you are concerned, the problem does exist. Because it would be [words indistinct] to seek ways to settle the issue, the third way has been proposed. According to this third way, it is hoped that the Kuril islands, which can be said to be the center of the argument, should be used jointly. [passage omitted].

We are neighbors to each other. As Japan is an economic power, we must cooperate with Japan. However, on the other hand, the Soviet Union is one of the major powers, and we can say that Japan should also [words indistinct] cooperate with the Soviet Union.

Meanwhile, there is one aspect of Mr. Yeltsin's position that I do not like. To (?settle) the problem, seeds will be sown to bring up other problems that will have to be settled by following generations, our children or our grandchildren. Let us settle the problem by ourselves.

Sakhalin Oblast residents take a negative approach towards surrendering our position; that is, selling these islands. This is what we have learned from the historical experience concerning the Soviet Union selling Alaska. Even now, it is regrettable for Russia that Alaska was sold. Such a mistake should never be allowed to be repeated. As a result of such an act, we have suffered serious damages. These damages could never be made up by any economic or financial compensation.

The third way should be reviewed, and part of it should be revised. I would like to make a proposal for what might be called the fourth way. These four islands should be kept under Soviet jurisdiction, and it should be decided that they would always be Soviet territories. Then, on the basis of mutual accords, a certain area or even the whole island should be used jointly for our interests, your interests, and the interests of the island. Meanwhile, no questions should be brought up about the jurisdiction of these islands. The islands will belong to the Soviet Union, and your islands will belong to Japan. When viewed from the economic standpoint, this can be said to be an dispassionate settlement.

It will serve as a model for developing our relations, and it will prove that we possibly may promote various types of cooperation in the Asian-Pacific region. We should learn from both East and West Europe, where drastic changes are taking place now. However, no territorial demands have been brought up there. Why is it that we should fall behind those parts of the world?

This is what Sakhalinsk Oblast Executive Committee Chairman (Theodrov) has stated. Now, we would like to conclude our reportage today. Anyhow, only history will be able to put an end to this issue.

Southeast Asia & Pacific

Continued U.S. Aid to Cambodia Criticized

BK0407071890 Moscow in Cambodian to Cambodia 1100 GMT 3 Jul 90

[Oleg Alekseyev commentary]

[Text] The U.S. Senate Select Committee on Intelligence has voted for the suspension of the aid that the United States has been giving secretly to the antigovernment groups in Cambodia. As reported by the ASSOCIATED PRESS, this vote was carried out during a closed-door meeting of this committee. As often occurs in the United States, anything that is secret is always disclosed eventually.

Our commentator, Comrade Oleg Alekseyev, writes:

In this commentary, what I want to talk about is not the decision made by the U.S. Senate Select Committee on Intelligence at this closed-door meeting, but the secret aid granted by the United States through the CIA to the Cambodian resistance factions. Regarding this matter, THE WASHINGTON POST recalled that this type of aid, mainly arms, has been provided by Washington since the end of 1982. Its volume has continued to increase. In the five-year period, that is from 1982 to 1987, this aid has increased from U.S.$5 million to U.S.$37 million annually.

The vote of the U.S. Senate Select Committee on Intelligence against the continuation of this aid irrefutably is a telling sign. According to ASSOCIATED PRESS, this event reflects the growing concern in the United States over the fact that U.S. aid, both covert and overt, to the Cambodian resistance factions ends up enhancing the Khmer Rouge's military strength. This idea needs further clarification.

As is generally known, the United States has long declared that it does not want to get involved with the Khmer Rouge because this extremist group is fully responsible for the genocide in Cambodia during the second half of the 1970's. The U.S. aid to the Cambodian resistance factions has been directed at only two of the three resistance groups, that is the Sihanouk and Son Sann groups. The problem is that these arms provided by the United States have always been confiscated by the Khmer Rouge hard cores.

In the current circumstances, this event bears special meaning because, as indicated during the recent inter-Cambodian meeting in Tokyo, the Khmer Rouge ringleaders do not want to hear about a cease-fire in Cambodia. As before, they have placed their hopes on the seizure of power in this country through military means.

Through this assistance in strengthening the Khmer Rouge, the United States also dangerously increases the chances for the bloodshed regime, which already massacred over three million people, to return to power. How can such a policy conform with the declaration by U.S. leaders that the United States is ready to do its best to prevent the genocidal regime from returning to Cambodia? Even if one ignores such a cruel prospect, one still can see clearly that the dispatch of arms to Cambodia creates an obstacle barring peace there; that is it runs counter to the prospects for the Cambodia solution. For this reason, one can only regret that just a few days ago, the U.S. House of Representatives passed a bill on the supply, through official channels, of aid to the opposition Khmer factions worth U.S.$7 million in 1991.

Oceania Concerned at U.S. Plans for Johnston Atoll

PM0207121590 Moscow PRAVDA in Russian 22 Jun 90 Second Edition p 7

[Dispatch by PRAVDA correspondent A. Ivkin: "Oceania Will Have To Pay..."]

[Text] Sydney, 21 Jun—No state in the South Pacific has ever produced, stockpiled, or used chemical weapons. So why is the United States planning to punish this region's inhabitants with the the threat of the possible poisoning of land and water by planning to build a giant complex for the destruction of chemical arms on Johnston Atoll?

This in itself a noble task could turn into a real disaster for the people of the islands past which the naval transporters of chemical agents will travel. Even the populace of the U.S. State of Hawaii is concerned about the possibility of an accidental leakage of chemicals, though Hawaii is 1,300 km from Johnston.

Initially the United States intended to destroy the sarin on Johnson and the VX gas payload carried by the

100,000 chemical artillery shells currently stored in the FRG. But it will also get around to the stockpiles of these weapons on U.S. territory too.

U.S. experts have carried out a preliminary assessment of the impact of this planned action on the environment. The conclusions presented in the corresponding report are optimistic. One would hardly have expected anything different from an interested party. That is why the specialists' calculations have by no means eased the islanders' fears.

Paias Wingti, leader of the opposition in Papua New Guinea, for instance, recently called on the Oceanian states to appeal to the UN International Court to prevent the Pacific from being turned into a highly toxic waste dump.

K. Note [name as transliterated], representative of the Marshall Islands administration, has sent the U.S. President a letter warning that the islands' populace will be the first victims of the transportation of chemical munitions to Johnston should any transportation accident occur. The Federative States of Micronesia have appealed to the U.S. State Department. They demanded that U.S. legislators review the decision to use Johnston to eliminate chemical agents.

In this situation the position of Australia—a country which actively campaigns for a complete ban on chemical weapons and was honored to be the first country to hold an international conference of representatives of government and industry on banning such weapons—is not entirely understandable. Canberra usually prefers to act as a concerned patron of the island peoples, but, clearly, these sentiments take a back seat when they have to plead the case of their "younger brothers" before their mighty Australia-New Zealand-U.S. Defense Pact ally.... But after all, even Australia itself is not invulnerable to the consequences of possible chemical poisoning, since it is part of Oceania.

Resumption of Sino-Indonesian Ties Noted

BK0407135190 Moscow in Indonesian to Indonesia 1300 GMT 3 Jul 90

[Aleksandr Vladimirov commentary]

[Text] According to observers, the talks in Beijing between Chinese Foreign Minister Qian Qichen and Indonesian Foreign Minister Ali Alatas will soon result in the normalization of relations between the two countries and the restoration of diplomatic ties that were severed 23 years ago. In reference to this, Radio Moscow commentator Aleksandr Vladimirov writes:

I feel that the meaning of the normalization of Sino-Indonesian relations is not limited only to the normalization between the two most populous Asian nations. The normalization of relations is another breakthrough in applying the philosophy of new thinking in relations between countries in the Asia-Pacific region. Aside from that, the other breakthrough was the normalization of Sino-Soviet relations during Mikhail Gorbachev's visit to Beijing last year. With that we are now coming closer to a complete demolition of another ideological wall that is obstructing concrete and constructive talks on problems affecting the people in the Asia-Pacific region.

Observers are currently in the process of predicting the consequences of the normalization of ties between Jakarta and Beijing. Firstly, they speculate that a new channel will exist for exchanging ideas and proposals on how to guarantee peace and stability in the Asia-Pacific region in an effort to reduce military confrontation between East and West.

Aleksandr Vladimirov further said that of late, in several Asian countries, including ASEAN ones, a question that often crops up is what role will the PRC have after the USSR and the United States reduce their military presence in the Asia-Pacific region. We can definitely sense anxiety and even concern over this issue. I feel that direct diplomatic ties between Jakarta and Beijing will help strengthen mutual trust in this regard.

Secondly, following the normalization of their diplomatic relations, Indonesia and the PRC will be able to discuss and draw a direct comparison of their stands on global strategic issues such as the role of nuclear weapons in the world in general, and in the Asia-Pacific region in particular. Actually, in principle, the two countries are coming forward to minimize the proliferation of nuclear weapons in Asia and the Pacific Ocean, thus proving that they share a common interest on the issue.

The PRC and the USSR support the Rarotonga Treaty calling for a nuclear-free zone in the southern Pacific region. Indonesia is one of the countries that actively supports the concept initiated by the ASEAN countries of turning Southeast Asia into a nuclear-free zone.

The Cambodian issue is definitely a matter that calls for interaction between Indonesia and the PRC. According to observers, the two countries can bring new impetus to the process of settling the Cambodian problem. For several years, Indonesia's diplomatic effort has been focused on being an interlocutor among the warring Cambodian factions, as well as between Vietnam and the ASEAN countries. As we already know, the PRC is supporting the three-party coalition resistance and is exercising real influence over the hardline Khmer Rouge faction.

Reports from Beijing say that during talks between Qian Qichen and Ali Alatas, a common stand on a series of issues regarding the cessation of conflict in Southeast Asia was achieved. Experts are of the opinion that this will have a positive influence on the stands of the Cambodian factions.

Commenting on Indonesian Foreign Minister Ali Altas' visit to the PRC, RENMIN RIBAO said that the normalization of Sino-Indonesian relations is in line with the times and dictated by history. In fact this is true. The

main element of the Soviet policy in the Asia-Pacific region presented in Vladivostok—that is, the need for Asia to have a political dialogue—has been strengthened. The dialogue that has already started should be continued and expanded.

Near East & South Asia

Israeli Immigration Policy, U.S. Actions Cited

LD0407105590 Kuwait KUNA in English 0741 GMT 4 Jul 90

[Text] Moscow, July 4 (KUNA)—Moscow will halt the Soviet Jewish emigration to Israel if the Israeli Government fails to offer serious guarantees that immigrants would not be settled in occupied Arab territories, according to a senior Soviet official. The Kremlin's permanent United Nations envoy Yuliy Vorontsov, in an interview with KUNA, stressed that President Mikhail Gorbachev could not be more serious when he warned Israel against settling new waves of immigrants in the occupied West Bank and Gaza Strip. Vorontsov noted that any such action on the part of the Soviet Union will be "complex" from a legal point of view but he believed the Soviet public would appreciate the legitimacy of the action.

Vorontsov, who talked to KUNA Tuesday [3 July] on the sideline of the ongoing Soviet Communist Party's 28th Congress, added that Moscow views assurances from Israeli Housing Minister Ari'el Sharon as not serious enough. He recalled that Gorbachev has demanded guarantees to this effect from the whole Israeli Government. The Soviet official underscored the need for Moscow to work together with Arab countries and the United States as to make Washington clear the way for Soviet Jews wanting to go to the United States. He described the U.S. tight restrictions on the emigration of Soviet Jews to the United States as deliberate obstacles.

Vorontsov indicated that Moscow was in direct contact with Israel over the immigration issue and pointed out that Soviet Foreign Minister Eduard Shevardnadze will soon discuss the matter with Israeli officials in the United Nations.

Commenting on other Mideast development, the Soviet official faulted the United States for having halted its dialogue with the Palestine Liberation Organization. More specifically he believed the American move was a "maneuver" that Washington will soon find itself forced to back down on. He expected this to happen soon. He noted that all U.N. delegates, including the European nations, were disgruntled about the American Administration's decision to halt the dialogue with the PLO, begun in December 1988.

Vorontsov also regretted that the U.S. Administration has virtually made no progress in its attitude towards a Middle East peace settlement despite indications that the administration was getting involved in settling other regional conflicts in various parts of the world.

The Soviet official, meanwhile, appeared to blame Israel for the lack of progress toward Middle East peace and he believed the new government of hardline premier Yitzhaq Shamir "would not survive long." He referred to what he called "tangible" change, though slow, within the Israeli public opinion in favor of peace with Arabs.

Vorontsov said the United Nations was intent on sending an international panel to the occupied Arab territories to probe Israeli brutalities against Arabs. But he believed such a step, though meaningful, would not generate enough pressure to help Arabs under occupation regain their rights. He said he believes Israel must withdraw from the Arab areas it now occupies as a major step toward bringing about peace in the region.

Vorontsov, who was first deputy foreign minister before his United Nations posting, said he is now working on very good terms with Arab diplomats at the world body.

Aid to Iran Quake Victims Politicized, 'Tainted'

TA0307191090 Moscow Radio Peace and Progress in Persian 1530 GMT 3 Jul 90

[Station commentary]

[Text] Iranian officials have said that they will accept any aid from anywhere, except Israel and South Africa, for the victims of the earthquake. Evidence indicates that this approach is supported by the great majority of the country's inhabitants. But there are certain political forces who are calling into question the sincerity and taintlessness of the foreign aid donors. They are dividing foreign aid into aid by friends and foes. Our commentator writes on this:

One cannot but point out that today, in the hour of calamities and disasters, certain efforts are being made by Western mass media to exploit Iran's catastrophe. They persistently depict their countries' aid as some form of loan to be repaid by Iran through future political concessions. Such efforts have evoked the Iranian people's just anger. But I believe that political exploitation should not be mixed with the real contribution by various countries in relief work and reconstruction. On the whole, financial aid to Iran has been untainted, stemming from the purest humanitarian intentions.

(?It is obvious) that international relief aid has an effect on Iranian awareness. It demolishes that permanent concept which was shaped during the era of isolation and confrontation. Naturally, this is not to the liking of those forces which have used isolation as a means to preserve their own social and political privileges. [passage indistinct]

International aid fosters among Iranians a belief in the political advantages inherent in the search for peace, as well as in the superiority of agreement over conflicts and intolerance. This aid creates a symbol and a sign in their

conscience of the victory of the forces of peace over the black forces of violence. Apparently it is for this reason that the activities of the supporters of isolation, foremost of all the fundamentalists, have escalated. They talk about the threat to Islamic values and thoughts stemming from foreign aid donors. To them the selfless work of relief and medical staff from numerous countries is only [words indistinct] of the forces opposed to Iran. It is they who categorically reject the humanitarian aid proposed by Salman Rushdie, author of the controversial book "The Satanic Verses." But woe to fundamentalist thoughts if these reject solidarity in contributing assistance to unfortunate and oppressed people. Of what value are these thoughts if they deprive a human being of thinking or believing in the goodwill of people around him?

In short, the negative stance of the fundamentalists toward the intentions of the international community to assist the quake victims in Iran cannot stand a moral test. It is also baseless from the political aspect. International aid not only heals the pain of people who have suffered disasters, but also creates new and suitable conditions for Iran's emergence from international isolation with the aim of utilizing international cooperation to implement post-war reconstruction plans and speed up the country's social and economic progress. (?Which) statesman, who places national interests above personal and group interests, would not exploit this situation? Developments indicate that such statesmen are not few in Iran. It is they who manifest the trend toward Iran's reconstruction.

Rescuers Continue To Aid Quake Victims

PM0307095190 Moscow IZVESTIYA in Russian 30 Jun 90 Morning Edition p 5

[Report by V. Remizov: "Soviet Rescuers in Iran"]

[Text] A group of rescue workers from the USSR MVD [Ministry of Internal Affairs] Moscow Regional Specialized Fire Service Detachment has flown by special Aeroflot flight to Iran.

We were informed by the Fire Service Main Administration that, following the Armenian earthquake, our country set up eight regional emergency rescue detachments each numbering 150 people. As soon as news came in about the tragedy in Iran all eight detachments stated that they were ready and willing to fly to the disaster area. A group from the Moscow detachment is currently at work there. There are 27 men in it. They are professionals who can do everything. They are equipped with special Soviet and imported equipment which makes it possible to pull victims from the debris and give them the necessary help. There are also professional medics in the group.

The rescuers can work for five days quite independently. They have everything they need to do so: water, food, fuel, a field canteen, and tents.

Incidentally, this is not the only such group. A detachment of USSR Ministry of the Coal Industry mine rescue workers flew to Iran 27 June.

Improves Relations, Ends Mistrust

LD0307145390 Moscow TASS in English 1444 GMT 3 Jul 90

[By TASS correspondent Igor Gvritishvili]

[Text] Moscow July 3 TASS—The first group of Soviet rescuers was dispatched to Iran by the Soviet Red Cross and Red Crescent Society the day after the killer earthquake to start rescue and clean-up operations immediately, leader of Soviet rescuers Sergey Shuliatiyev told a news conference in Moscow on Monday.

Shuliatiyev noted that the Soviet rescue service had been granted official status just a few days before the earthquake struck in Iran. Its members had to begin work in that country under extremely hard conditions. While the Armenian Spitak group was provided with the latest equipment, the Moscow group found themselves in a mess.

They lacked essential equipment. But they were not discouraged—they toiled for seven long days to drag people from rubble, with few hours of sleep and rest and at a risk to their own lives. Doctors provided medical aid to more than 530 people in the disaster area.

The selfless efforts of Soviet rescuers were not overlooked by Iranian authorities, Shuliatiyev noted. On behalf of the country's leadership, the Moslem holy book, the Koran, a symbol much revered in Iran, was handed over to the Soviet rescue group in recognition of their courageous assistance to Iranian people.

The Soviet team's another member, [as received] Aleksey Zvezdin, stressed the Iranian authorities gracious attitude to rescuers—they sought to create favourable conditions for the team's work.

Even those local people who at first viewed Soviet rescuers with mistrust soon changed their attitude and welcomed them whenever they happened to appear. In this respect, the Soviet rescue squads did more than just help in the clean-up—they helped build up trust between the two neighbouring peoples, Soviet rescuers stressed.

Compromise Seen in Iran-Iraq Ministers Meeting

TA0407183890 Moscow in Persian to Iran 1500 GMT 4 Jul 90

[Yuriy Andreyev commentary from "The World Today" program]

[Text] Dear listeners: The foreign ministers of Iran and Iraq, 'Ali Akbar Velayati and Tariq 'Aziz, met in Geneva on Tuesday. The preliminaries for their talks were conducted through the mediation of UN Secretary General Perez de Cuellar. Our commentator Yuriy Andreyev writes on this:

First let us consider the specific facts. The talks between 'Ali Akbar Velayati and Tariq 'Aziz lasted one hour. According to Perez de Cuellar, this meeting was held in a friendly atmosphere. It is worth noting that the foreign ministers shook hands prior to the talks. Such a thing was not seen in the past 10 years. Tariq 'Aziz told newsmen that the meeting was sincere and constructive, but he refrained from discussing the details of the talks. In the communique issued at the end of the first round of talks it says that both sides highly regard the UN secretary general's role in implementing Security Council Resolution 598, which continues to be the foundation and basis for any contacts between Iran and Iraq.

It is worth mentioning that Perez de Cuellar held separate talks in Geneva beforehand with each of the foreign ministers. Although this time, as always, Tehran and Baghdad sealed their lips about the nature of the talks, some of the details have been revealed. Iran rejected the proposal for a summit meeting in the near future. Iranian Foreign Minister 'Ali Akbar Velayati told correspondents: It is too soon.

Reports indicate that in their talks the two sides are reviewing points of disagreement in Iran-Iraq relations, and are discussing ways of implementing all clauses of Security Council Resolution 598. First of all, Iran and Iraq have to resolve the problems relating to the two countries' border areas, as well as Iran's occupied territories, and determine the fate of about 100,000 POW's. Undoubtedly, reaching an agreement acceptable to both sides is a very difficult matter. But these days Tehran and Baghdad have indicated their willingness for compromise and constructive talks.

What is worth noting is that the atmosphere of the present meeting differs completely with previous Iran-Iraq contacts. Misunderstanding and a hostile approach toward each other are disappearing, and both sides are trying not only to listen to their own talk, but also to that of the other side. Of course, now, too, there are many points of dispute between Iran and Iraq. Disagreements between these two countries have deep historical roots, and the bloody seven-year war has extremely exacerbated these disagreements. Nevertheless, confrontation cannot continue forever. The state of no war, no peace aggravates the situation in the region, and inflicts considerable damage on the interests of Iran and Iraq.

The two countries' foreign ministers shook hands in Geneva. I believe that this represents a symbolic gesture. One cannot live in the past forever. An old adage rightly says: A bad peace is better than a good war.

Iranian Diplomat Hands Message to Shevardnadze

LD0407214190 Moscow TASS in English 2034 GMT 4 Jul 90

[Text] Moscow July 5 TASS—Soviet Deputy Foreign Minister Vladimir Petrovskiy on Wednesday received Iranian Foreign Ministry General Director N. Izadi who arrived in Moscow as a special representative of the Iranian Foreign Minister 'Ali Akbar Velayati.

Izadi handed over a message from Velayati to Soviet Foreign Minister Eduard Shevardnadze.

Petrovskiy and Izadi discussed regional problems, including Afghan and Iran-Iraq settlement.

Sub-Saharan Africa

Ethiopia's Shengo To Mobilize Against Opposition

EA0407084090 Moscow International Service in Amharic 1530 GMT 30 Jun 90

[From the "East Africa in the Past Week" program]

[Text] First, let us take a look at the situation in Ethiopia. The Fourth Regular Congress of the National Shengo, held this week, passed a resolution that all manpower and material resources of the country must be mobilized to struggle against the armed opposition forces. The statement issued by the participants in the congress says that retired military men from the services, security men and their colleagues, and all other individuals with military experience must accept the call of the motherland. Ethiopians living in the territories controlled by the opposition forces must coordinate their activities alongside the regular army and must carry out the heroic struggle.

The order by the central government for guerrilla warfare to be waged against the opposition groups shows how strong the guerrillas are compared with the government forces.

To tell the truth, apart from calling for mass mobilization, the participants in the congress of the National Shengo also affirmed in their resolution the need for increased efforts to continue the peace talks with the Eritrean People's Liberation Front [EPLF] and the Tigray People's Liberation Front. A clarification issued by the State Council on 28 June discussed ways and means of carrying this out. For instance, it stated that the government has agreed for any opposition group to participate in the political life of the country provided it accepts the sovereignty of Ethiopia. This statement was sent directly to the TPLF. The leaders of the TPLF stated that the peace talks can continue only if the military regime in Ethiopia leaves office and is replaced by an interim government comprising all political forces in the country.

According to ASSOCIATED PRESS, diplomats in Addis Ababa say that the objective of the statement by the State Council is aimed not only at providing a response to the TPLF's stance but also at creating a rift between the TPLF and the EPLF. We would not normally have cited unconfirmed diplomats on such a situation. But if we look the statement, it clearly calls on the TPLF to denounce the Eritrean secession and to alter its stance vis-a-vis the EPLF. As is well known, the TPLF calls for

a referendum to determine whether Eritrea should be part of Ethiopia or not. Indeed, the front has taken this issue as one of the preconditions [words indistinct] Front have urged that a transitional government be set up comprising all political forces in the country.

It is not difficult to understand the extent of the acceptability currently enjoyed by the EPLF, which controls the whole of Eritrea and the strategic port of Mitsiwa.

Delegation Visits Madagascar on Anniversary

PM0207155190 Moscow IZVESTIYA in Russian 26 Jun 90 Morning Edition p 4

[TASS report: "Received by President"]

[Text] Antananarivo, 25 Jun—On Sunday Didier Ratsiraka, president of the Democratic Republic of Madagascar, received a Soviet state delegation headed by V.A. Yarin, member of the Presidential Council and member of the USSR Supreme Soviet, which is here to attend the celebrations marking the 30th anniversary of the proclamation of the independence of Madagascar and 15th anniversary of the Malagasy socialist revolution.

The Soviet delegation head handed D. Ratsiraka a congratulatory message from USSR President M.S. Gorbachev. D. Ratsiraka expressed gratitude for the congratulations and wished the Soviet leader success in perestroyka. During the conversation, which took place in a warm atmosphere, there was a discussion of a number of international issues of mutual interest.

Gorbachev Sends Congratulations

PM0307102590 Moscow IZVESTIYA in Russian 27 Jun 90 Morning Edition p 4

[Message from M. Gorbachev "To His Excellency Mr. Didier Ratsiraka, president of the Democratic Republic of Madagascar"]

[Text] On the 30th anniversary of the proclamation of independence and the 15th anniversary of the revolution, I send you, Mr. President, and through you the entire friendly Malagasy people congratulations and wishes for prosperity and successes in resolving the tasks of national building.

I am sure that the friendly relations existing between the Soviet Union and the Democratic Republic of Madagascar will continue to strengthen.

Gorbachev Greets Mozambique Leader on Anniversary

PM0307102390 Moscow IZVESTIYA in Russian 27 Jun 90 Morning Edition p 4

[Message from M. Gorbachev "To Comrade Joaquim Alberto Chissano, president of the People's Republic of Mozambique"]

[Text] On a notable date—the 15th anniversary of the proclamation of the independence of the People's Republic of Mozambique—I send you, esteemed Comrade President, and your country's people warm, sincere congratulations.

I am convinced that the traditional relations of friendship and cooperation which have formed between the Soviet Union and Mozambique will continue to strengthen and improve.

I wish you and the entire Mozambican people successes in resolving the country's urgent problems and the speediest attainment of peace in Mozambique.

[Signed] M. Gorbachev

East Europe

Albanian Citizens Demand Political Asylum

PM0407165990 Moscow IZVESTIYA in Russian 5 Jul 90 Morning Edition p 4

[IZVESTIYA Press Service report: "Major Incidents"]

[Text] Major incidents have occurred in the Albanian capital, Tirana. In all, about 200 people penetrated the territory of the diplomatic missions of the FRG, France, Italy, Greece, Turkey, Hungary, Czechoslovakia, China, and several other states where they demanded political asylum and the right to free exit from the country. The right to free exit was recently promised to Albanian citizens by the Albanian leadership. UN Secretary General Perez de Cuellar was given assurances during his visit to Tirana that the country's authorities would show greater flexibility on human rights. In practice, however, REUTER writes, passports for foreign travel have been received by only a small number of privileged people.

The FRG embassy in Tirana has protested at the fact that the Albanian police opened fire on people as they were rushing into the mission's territory. According to Western news agency reports, the question of the incidents will be raised at a forthcoming EC meeting in Brussels.

Radio Tirana has stated that people violating public peace and order, who were trying to complicate "Albania's good relations with friendly states" and "create a distorted picture of Albania in the world," were dispersed. The radio admitted that people were injured during the operation. A representative of the Albanian embassy in Bonn spoke in the same vein.

Czechoslovakia's embassy in Tirana, CTK reports, has opened talks with the authorities on the fate of Albanian citizens on the embassy's territory with a view to finding a political and humane solution to the problem in accordance with the fundamental norms of human rights.

In connection with the incidents in Tirana, foreign observers recall the events of last fall when "occupation" of the territory of foreign embassies presaged the mass

demonstration by GDR citizens against the policy of the country's leadership at that time.

'National Accord' Needed for Bulgarian Reforms

PM0407113390 Moscow IZVESTIYA in Russian 1 Jul 90 Morning Edition p 4

[Dispatch by IZVESTIYA correspondent A. Kapralov: "The Time of Compromise Is Past"]

[Text] Sofia—During the elections the majority of the voters supported the idea of change, associating this with stability. That was the conclusion drawn at a sitting of the Bulgarian Socialist Party [BSP] Supreme Party Council.

Analyzing the political situation in the country, the chairman of the Supreme Party Council Presidium, A. Lilov, said that the time has come to implement the second stage of the renewal of the party, which has to resolve four strategic problems: the new constitution, the nationalities question, the environmental problem, and economic reform. A national consensus is needed for this, however. And although society is strongly politicized and polarized, the country cannot extricate itself from the crisis without national accord.

The Supreme Party Council approved the nomination of Andrey Lukanov for the post of chairman of the Bulgarian Council of Ministers. The president will now submit for discussion the proposal to confirm the head of government in the Great National Assembly, due to begin work on 10 July.

At the same time, a group of BSP members, including parliamentary deputies, prominent scientists, and publicists, have appealed to like-minded people with a statement, which says that the credit of trust the party received in the elections could be lost in the coming months if the BSP does not become a modern, left-wing, parliamentary party. "It is not a question of renewal but of creating an essentially new party in the spirit of the democratic, socialist, European tradition," the appeal emphasizes.

In the opinion of those who signed the appeal, reformist forces in the party are being used as a screen, with the aid of which conservatives have created the semblance of change. The time has come, socialist radicals believe, for everyone to decide what kind of party they want to belong to. They are calling for a national conference to be convened by the end of July to discuss the image and platform of the new party and also to reregister members of the BSP on the basis of the new platform.

Parliamentary deputies from the Union of Democratic Forces (there are 144 of them) have held their first conference, where they discussed the organizational form in which the unity and coordination of action of the opposition will be expressed. All deputies were agreed that the main task now is to smash the foundations of totalitarianism and create the conditions for victory in the fall elections to local bodies of authority.

After the conference, the deputies went to Sofia University, where students are still staging a strike, and declared their support for students at the country's main higher education establishment, who have now been joined by student youth from Gabrovo, Veliko Turnovo, Varna, Pleven, and Blagoevgrad.

The Bulgarian public has reacted to the student strike in different ways. The Human Rights Committee has said that it respects the students' right to express their attitude to negative phenomena in the country but that they must not encroach on the rights of others in this respect. Approximately 700 university lecturers support their students, but 300 are against what they are doing.

The Union of Labor Cooperative Agricultural Farms has taken a decisive stand regarding the strike action. As far as the farmers are concerned, the parties and the press have become carried away with political passions and forgotten about the harvest. A union statement says that if the political parties do not resolve the strike by 5 July, agricultural workers will announce a symbolic five-day strike of their own. And if the students do not vacate the university in that time, farmers will send their tractors to the capital and blockade all the roads.

CSFR Communist Party Greets CPSU Congress

LD0207164890 Prague CTK in English 1618 GMT 2 Jul 90

[Text] Prague July 2 (CTK)—"We greet you on behalf of a party turning from a state-like institution into a regular political party in the plurality system of parliamentary democracy in Czechoslovakia," a message of the Czechoslovak Communist Party Central Committee sent to the 28th Congress of the Soviet Communist Party, which opened in Moscow today, said.

The message stressed that the Czechoslovak Communist Party has given up the monopoly of power and its privileged position in society. It added that the party did not have enough either internal strength or courageous personalities to face the expected and needful changes in society. Nevertheless, the communist party still has its role on the Czechoslovak political stage confirmed inter alia by the recent parliamentary elections in the country, the document said.

"We wish you the so much needed courage for completing the already started perestroyka and democratization of Soviet society. We are aware of the complexity of this path. But it is also in our interest that democratic socialism and the ideas of a humanitarian socialist society win", the Czechoslovak communists wrote.

Czechoslovakia's Mohorita on CP's New Role

PM0407081790 Moscow PRAVDA in Russian
Second Edition 1 Jul 90 p 7

[Interview with V. Mohorita, first secretary of the Communist Party of Czechoslovakia, by PRAVDA correspondent S. Vtorushin under the rubric: "Our Interviews"; date not given: "Becoming a Party of Free-Thinking People"—first paragraph is editorial introduction]

[Text] Prague—V. Mohorita is 38 years old. He is a man with a higher political education. But his original specialty was that of motor mechanic. He began his political career as an instructor at the Prague Socialist Youth Union [SSM] city committee. He was subsequently chairman of a regional committee, Central Committee secretary, and, lastly, SSM Central Committee chairman. In December 1989 Vasil Mohorita was elected first secretary of the Communist Party Central Committee.

[Vtorushin] The Communist Party in Czechoslovakia has experienced a grave crisis. The reasons for this are currently being carefully analyzed. Nonetheless, can you tell us what they are in a few words.

[Mohorita] It will be in a few words because the serious objective analysis of our party's past from its beginnings in 1921 is not yet completed. The plan is to submit this material to delegates to the routine Communist Party of Czechoslovakia [CPCZ] congress to be held this fall. However, if we look back and mentally review the last 10-15 years, it is clear that unresolved problems accumulated in our society. Stress was placed on extensive methods of development in the economic sphere to the detriment of intensive methods. We missed out the initial important phases in the scientific and technical revolution. Our society preferred to live at the future's expense. I am referring above all to our exploitation of natural resources and the state of the environment. The rigidly centralized administrative-bureaucratic system of management—and not just in the economy—constrained people's initiative.

There was no real democracy or freedom of views and opinions in the country. The Communist Party's leading role in society—to be more correct its monopoly on decisions concerning virtually all and sundry—and the large number of undistinguished, dishonest people in lofty posts all impeded the development demanded of society. The narrow gerontocratic group of people in party leadership proved unable and unwilling to change the situation or resolve the growing problems by political means. On the contrary, it began to resort to coercion, thus only helping to increase the discontent, with increasing frequency and in increasingly crude forms.

We missed the favorable opportunities that manifested themselves after M.S. Gorbachev assumed leadership in the USSR and the possibilities of really restructuring and democratizing Czechoslovak society. The CPCS elite paid lip service to this process, but no practical steps were taken. I see the main reason for this as being the fact that functionaries from a party which had until last November ruled for almost 20 years without any substantial changes in its leadership were closely linked with the events of August 1968 and the subsequent so-called "normalization" policy, in the process of which they endeavored to completely suppress all their opponents. What is more, all serious reform was rejected because their responsibility for the negative processes that had manifested themselves in Czechoslovakia after 1969 would have automatically been revealed.

[Vtorushin] What is the Communist Party's current position in the country? What are its aims?

[Mohorita] I want to say first of all that even before 17 November 1989 many communists were well aware that the existing situation in our country could not be preserved. Hence they gave their backing to all the positive changes within the party made at the extraordinary December congress. It was a crucial point in party history.

Henceforth we are learning to work in quite new conditions. We have renounced the party's leading role in society and will no longer strive to achieve this. We want to be an inalienable part of the spectrum of political forces and implement our aims and programs through proper competition with other political parties and movements. We want to endeavor to participate in governing the country democratically. As for the CPCS, as such, we are rejecting the outmoded principles of its former construction (such as democratic centralism, for instance). We have also abandoned the historically obsolete idea of the dictatorship of the proletariat and the Communist Party as the vanguard of the working class. We are well aware that we cannot continue proclaiming that we are the party of all people and defend the interests of the whole population. This is, after all, simply impossible today.

However, we want to be and remain the party of people who create concrete material and spiritual assets with their hands and using their creative intellectual potential. Out of principled ideological considerations we resolutely reject all the distorted dogmas of the past. In the future we will rely on Marx's teaching but will all the same direct our attention to the ideas of other socialist theoreticians. However, I want to stress that it is not a question of returning to the past—mechanically transposing past truths and experience to the present day. On the contrary, we will act on the premise that the party develops differently on the eve of the new millennium. And the fact that we are living and working in quite a different world from how it appeared 40, 20, or even five years ago. We want to react flexibly to all of this!

[Vtorushin] The recent parliamentary elections provided unequivocal confirmation of the victory won by the "Civic Forum" and "Public Against Violence" coalition.

Does this mean that there has been a change of ideals in Czechoslovak society? What is it striving for today?

[Mohorita] The state in which society found itself prior to last November could not have lasted, therefore during the period immediately after the Communist Party was unable to interfere in social development. All the subsequent changes were made on others' initiative. Particularly, "Civic Forum" and "Public Against Violence." In the eyes of the population these movements embodied the end of totalitarianism in our country. It was for this reason that they achieved the results they did in the elections.

I do not, however, think that there has been a fundamental change of ideals in the country. Most of the people are still striving for a democratic, socially just society, equal rights and opportunities for everyone, a high standard of living, opportunities to better apply one's abilities, social confidence, and the creation of conditions for comprehensive spiritual and cultural development. People want this entire renewal to take place calmly, without confrontation. Communists are no different in this from adherents of "Civic Forum" or "Public Against Violence." Where we do differ, is in the methods, ways, and timeframes for effecting all the requisite changes.

We also consider these changes totally necessary but, unlike certain other political forces, we will press to ensure that the transition to a market model of the economy is not accompanied by serious social upheavals, every citizen has the right to a suitable job, and social guarantees for the most vulnerable groups in society—young people, women, young families, and pensioners—are retained.

[Vtorushin] The Communist Party has ended up in opposition for the first time in the last 40 odd years as a result of the elections. Is it hard to get accustomed to this role and what do you see as the communist parliamentary faction's main tasks?

[Mohorita] The word "opposition" in Czech does not have the best connotations. We often vest this concept with a peculiar meaning: something that is fundamentally different or involves blatant rejection. This is due to the fact that we have not effectively encountered this concept in our democratic political practice. We simply had no experience of it. However, the question is as follows: Do communists and their sympathizers have such different, opposing interests today from the rest of our fellow citizens? After all, even the communist election program was not fundamentally different from the programs adopted by those parties and currents whose representatives will sit alongside our deputies in the parliament.

There are, of course, specific boundaries and limits that we will not overstep. These principles stem from the action program and election program of the CPCS—as our party is now called. They primarily concern the potential social consequences and threat to existing social guarantees for those people whose interests we will defend and implement, those people who put their trust in us. That is why I see the crux of our representatives' parliamentary activity as residing in a constructive approach when discussing the changes to laws and other steps being prepared. It is our moral duty to most vigorously help to do everything that will help our society. Only then can we gradually rectify the party's past mistakes. Only then can we fight to win the people's trust once more.

[Vtorushin] What are the prospects for the left-wing movement in Czechoslovakia? How do you see the CPCS's future?

[Mohorita] Extreme right-wingers suffered defeat in the parliamentary elections. The voters voted for center policy and also for left-wingers. We are the only left-wing force with parliamentary representation. Hence one of the most important elements in the immediate future is the formation of a strong left-wing movement in Czechoslovakia to form the requisite balance—the mandatory precondition for political consensus and for a social contract on the country's further development in accordance with most people's interests.

What of the CPCS's future? It depends above all on the party itself, on the activeness of its members, the activity of primary organizations, the work of communists' professional and special-interest clubs, the quality of our activity, and on how successfully we cleanse and revive the party and transform it into a contemporary party of labor and democratic socialism.

These are not merely words and good wishes. The first steps have already been taken on this path. We are proceeding on the basis of fundamentally new documents from the adopted action program, the party's election program, and the new draft statutes. We want to be the party of free and free-thinking people. I think that this is the context in which the Czechoslovak communists' planned congress will be held this fall.

Hungarian Troop Withdrawal Process Discussed

PM0507080390 Moscow KRASNAYA ZVEZDA in Russian 29 Jun 90 First Edition p 3

[Dispatch by correspondent Lieutenant Colonel A. Borovkov: "Meeting in Budapest"]

[Text] Budapest, 27 Jun—Colonel General M. Burlakov, commander of the Southern Group of Forces, and Major Gen. I. Mikulin, member of the Military Council and chief of the Political Directorate of the Southern Group of Forces, have been received by J. Antall, chairman of the Hungarian Republic Council of Ministers. A. Goencz, provisional president of the Hungarian Republic, and Defense Minister L. Fuer participated in the meeting.

Col. Gen. M. Burlakov, commander of the Southern Group of Forces, briefed the Hungarian leadership on

the state of affairs in the Southern Group of Forces, dwelling especially on problems of the troop withdrawal. It is proceeding in an organized manner with the concrete assistance of the Hungarian Republic's Ministry of Defense and General Staff. At the same time problems are arising with regard to a financial and economic settlement for the installations and material stocks being left behind on Hungarian territory. Concerted efforts by the USSR and Hungarian Governments are needed to resolve them.

West Europe

Moscow Panel Discusses Western Economic Aid

LD3006152490 Moscow in English to North America 2200 GMT 29 Jun 90

["Top Priority" program presented by Sergey Goryachev with political analysts Sergey Plekhanov and Andrey Kortunov, both from the Institute of the United States and Canada in Moscow]

[Text] [Goryachev] How do you do, ladies and gentlemen. Welcome to "Top Priority," Radio Moscow's panel discussion. I am Sergey Goryachev. The European Community (?meeting) in Dublin has called for more detailed preparation of proposals for credits and long-term economic aid for the Soviet Union, but no immediate action was announced. In the meantime, the West German Government guaranteed a bank credit of about $3 billion to bolster Mikhail Gorbachev's reform program. This active attitude of West Germany was supported by France with the president, Mitterrand, saying—and I quote—there would be no reforms if there is no aid. But Prime Minister Thatcher of Britain has a different view and—I quote again—I favor support for economic reform, but there has to be reform to support. And President Bush indicated recently that the United States was not planning any major aid package for the Soviet Union. So our two political analysts are Sergey Plekhanov and Andrey Kortunov, both of you are from the Institute of the United States and Canada here in Moscow. You are here to discuss this obviously different approach of the Western governments to the aid for the Soviet Union. What do you think are the motives behind these differences of the Western governments toward the concept of the economic reform to the Soviet—of the economic aid to the Soviet Union? Okay, Andrey Kortunov, go ahead.

[Kortunov] My feeling is that the position taken by the Federal Republic of Germany is the result not of the analysis of the economic situation in the Soviet Union, but rather a political choice. Germans want to see the Soviet Union change in its position on German unification, of course, and they realize that the Soviet Union can be the major obstacle to German unification and German integration into European security system. And therefore I think they are suggesting the aid that can change not only the political approaches of Gorbachev or political leadership in general, but also the public moods in the Soviet Union.

[Goryachev] The West German leaders have denied this connection between the reunification of Germany and the West German economic package. Do you agree with them, Sergey Plekhanov?

[Plekhanov] Oh, I think Andrey is right that the West German intentions have more to do with the German problem than with the Soviet problem. I would like to say that the Western governments are not notorious for their ability to think long-term in the face of such a rapidly changing situation. Besides, the United States simply does not have the money, and (?indeed) their budget deficit this year is about $160 million [as heard]. It's growing again, and George Bush is imposting new taxes for the first time since he became President; and you remember that he became President largely on a promise not to raise taxes.

So I don't really expect the West to come forward with a big aid package in order to save the Soviet Union, even though that would be very much in their own interests. So they are driven by their short-term considerations, by narrower concerns than some of us would like to expect from them. So while I think that such aid would be very useful now for the Soviet Union, and in many ways it should not be just a giveaway thing—it could be in the form of (?openended) arrangements which would be mutually beneficial. But, of course, at the same time, some credit for the development of trade would also be good at this point, in order to help alleviate the consumer situation in the Soviet Union. But, again, I do not expect giveaways from them. [Goryachev] I want to know if you really think that Western economic aid, if it is provided, would solve the Soviet economic problems. Now remember that major purchases of consumer goods were made last fall, but these goods did not last long on the shelves. They are gone again.

[Kortunov] Well, the situation is worse.

[Plekhanov] Yeah, well, but this is a case, like, you have to keep priming the pump until it starts working, and it's a question of winning the time. For instance, I know that there are a lot of trading companies in the West, including the United States and West Germany, who would like to come into the Soviet market with huge shipments of consumer goods at reasonable prices. What they need is some kind of a credit to start this trade from, because at the later stage they would be able to work on a somewhat more sophisticated basis than just goods for the money. So there are people in the private sector willing to help. And I think that's why credits would be useful.

[Goryachev] Do you think we need help, Andrey?

[Kortunov] Well, I think that we should distinguish between help (?let's say) and investments. I think that if we look at the long-term perspective, the Soviet Union

needs certain investments rather than aid, and experience of all countries that went through the process of modernization during post world war period shows that investment is the crucial factor and not the aid per se. Another issue of course is emergency aid, and perhaps some kind of emergency aid can be important for the leadership to keep its legitimacy and to stay in power. But, at the same time, speaking of long-term economic cooperation between the Soviet Union and Western countries, we should bear in mind that there is a legitimate concern on the Western side about the prospects of the reform, because the government seems to be split and society seems to be split on how fa. we should go, how fast we should go, and it does not create, you know, a climate necessary for, you know, for investments, for attracting foreign businessmen.

[Plekhanov] Well, let me add something to that. I think that, yes, there are legitimate concerns about the instability in the Soviet Union, but there also is increasing evidence for a line which can be termed as a new hard line, in the sense that knowing that the Soviet Union is in need of investments, the West may start advancing conditions under which it could only make those investments. And it has to do with specific economic terms on which the investments can be made. For instance, one of the things that interests Western companies in the Soviet market is the historically low wage in the Soviet Union, and to conserve those wages would be a major boon for Western companies trying to invest in the Soviet market. That would be the name of the game. You invest in a country with a skilled but cheap labor force. It's a sound business proposition, except that it's questionable whether it is in the interests of the Soviet Union to receive investment on these terms.

[Kortunov] If you are talking about the United States it seems to me that the ball now is in the Soviet court, because now we have to go ahead with our legislation of emigration and that would help the American government grant the credits and to guarantee the credits for the private firms.

[Plekhanov] Well, but right now you are talking about the short-term things which have to do with the trade bill and so on. I am talking about a longer-term strategy of cooperation. And on what term, the question of on what terms corporations will be prepared to invest, invest in Soviet Union, I see as a major and important and difficult question to handle.

[Goryachev] Some people raise doubts as to whether it is necessary now to provide the Soviet Union with economic aid. Now listen to what Defense Secretary Cheney said on Monday. He said that it would be a great mistake for Western nations to provide major economic assistance to Moscow, because such a need would subsidize the Soviet military. That's a good point. We are spending so much on the military, aren't we?

(Kortunov] Well, I think that we have a lot of opportunities to reduce our military spending. I think that all of us understand that it cannot be accomplished overnight because it's a huge, you know, installation, a huge establishment, and we should take care of conversion, which presents a serious problem right now. So we should take care of, you know, social security of the officers who are retired; and I think that we should also keep in mind that by taking too radical steps the leadership can produce a very powerful opposition from the military. And I think that the Western analysts also understand this, and they should not push Gorbachev too hard on this subject. Though I agree with you, and I think that probably in some respects we can go faster, we can you know, take some more radical steps, especially when speaking about such things as foreign assistance in our programs and [word indistinct].

[Goryachev] Listen, what I am trying to say is that not every effort had been made here to make the economy work better, and we are asking or looking for an economic aid from abroad.

[Plekhanov] Well, if you think that by concessions you can satisfy people like Secretary Cheney, who have their own military budget to defend, their own structures, their own military-industrial complex to prevent from falling apart, then you're being very naive and shortsighted.

[Goryachev] I would like more money saved within the Soviet Union.

[Plekhanov] But that's not the point.

[Goryachev] I would not like to borrow today so that my children will pay back tomorrow.

[Plekhanov] But that's not the point. We are talking about the said statement by Secretary Cheney, and he is not motivated by interest in economics, in the success of Soviet economic reform.

[Goryachev] Absolutely.

[Plekhanov] What he cares about is the interests of the United States military-industrial complex, and I mean he has been telling us for several years that perestroyka is likely to fail. That's why it is wrong for the United States to come forward with anything that could help Gorbachev. He has been saying that for two years. I can quote from repeated statements. But this, this is just a party line on his part.

[Goryachev] Yeah, well, I agree with you, and at the same time I think that, you know, we have to sort out some problems at home, some reports [words indistinct] is evident, and sometimes, you know, our major investments do not reflect, you know, the system of national priorities, so to say, and [words indistinct].

[Plekhanov] It's known in the country that military spending has to go down substantively, that there's got to be a military reform. Even the minister of defense has come forward with the idea of a professional military, a shift to the professional military in ten years, and so on.

I mean this is not a stagnant situation in this area. But the question is, here and now, the question is the next few months, and statements like this from Cheney, which smacks of even, you know, the late 70s, when the right wing was doing everything to scuttle Soviet-American detente—they're not helpful.

[Goryachev] No listen, there's been talk about the next few months, a year ago, and two years ago, because the situation has been getting worse. Now what do you think about cutting some economic Soviet aid to some of the countries abroad? To some American countries, to some countries in Latin America?

[Plekhanov] No, that's peanuts. Look, it's not going to help us a great deal. I mean they talk for instance about cutting of aid to Cuba, they forget about the fact....

[Kortunov interrupting] Which they say is about $5 (?billion) a year.

[Plekhanov] Right, well but that's another political game you know: Concentrate on the question of Cuba, and zero in on particlar elements of Soviet foreign policy. It's just a form of pressure, just a form of winning points against the Soviet Union. That's the old cold war stuff.

[Kortunov] I do not necessarily mean Cuba. I mean many, many countries that we support, and I don't think that we should support as many countries at a time when we have so grave economic problems.

[Plekhanov] Ok, which particular country would you like to cut off aid from?

[Kortunov] Like for example Ethiopia. There are dozens of countries—Afghanistan.

[Plekhanov] You don't think that Ethiopia needs economic aid?

[Kortunov] I mean we can't afford it Sergey.

[Plekhanov] Well, you know that in Ethiopia tens of thousands of people are dying of hunger.

[Kortunov] Yes I know.

[Plekhanov] But we're not dying of hunger.

[Kortunov] Well, yeah, but the problem with Ethiopia is that we do not provide grain to Ethiopians. We provide them, you know, huge industrial machinery (?projects), which are not very helpful unfortunately. We built, for example, a huge pethrochemical plant in Ethiopia which we have to supply with our own oil because there is no oil in Ethiopia, and we have to import the petroleum which is produced there because they have no other market.

[Plekhanov] Well I think....

[Kortunov interrupting] You single out any different country right now and discuss that. It's not out there. What I'm trying to say is that we should look at that considerably and address that issue.

[Plekhanov] Well I think that bashing foreign aid is just another fad here. I mean people are talking as if they can save huge sums of money by cutting foreign aid; or as if we're just giving away money and resources. I don't think this is a helpful avenue of approaching our economic problems.

[Goryachev] To continue along these lines, do you think that some Western aid can only delay radical economic reforms in the Soviet Union, and we can end up by actually having economic aid impeding economic reform?

[Plekhanov] No. No, this is the wrong analysis; I reject it completely. I know some people who are making this kind of analysis, precisely because they think that the worse off the situation is in the Soviet Union, the better it would be in the long run. It is Maoist logic; I reject it completely.

[Kortunov] I think it will depend on how the aid will be allocated. I know that people in the ministries sometimes want to have the whole control over how it is allocated between the enterprises. If aid goes down to cooperatives, small businesses, to the private sector, to the farms. If there is, you know, such kind of aid I think it will boost the economic reform. But if aid goes to the central government, which is unable to use it in fact, then I think it can prolong the stagnation.

[Goryachev] Yes, it's unable to use it, and I have very many doubts as to whether the Soviet authorities can use these resources that come as part of economic aid effectively. I mean, we've seen a lot of examples when this aid was wasted actually.

[Kortunov] Exactly, I think that probably on a topical level [words indistinct].

[Goryachev] Sergey, what do you think about that?

[Plekhanov] I think that we need aid. I think the near term situation is crucial, and if some of the aid is wasted that's no reason for stopping, for not giving further aid. The country is changing very rapidly, and there are some crucial bottlenecks which have to be taken care of.

[Goryachov] What I'm thinking about is what kind of aid do we need? What are you saying we should buy or borrow, or what is it that the Soviet Union needs now?

[Plekhanov] I think we've discussed it already. We need credits for large shipments of consumer goods. That's one thing.

[Goryachov] Not technology?

[Plekhanov] Look, we're stuck with this idea of buying a lot of technology. We have been doing it for three or four years now, buying a lot of technology in the hope that introducing that technology in the Soviet economy will finally, in the long run, produce results. I fear the question of the stagnation of the system is central. The system is not prepared to accept that technology. But as

far as [word indistinct] the consumer goods, alleviating the consumer problems is concerned, that is exactly the kind of aid which I think would be helpful.

[Goryachov] What do you think about that?

[Kortunov] Well, you know, if we are thinking about short term aid, emergency aid, I think that at least there are two major spheres that are vital for the success of perestoyka. It is medical care and the second is ecology. I think it is even more important than consumer goods at the moment, at least in some regions of the Soviet Union, where the ecological and the medical situation is simply awful. If we are thinking about investments, about long term projects, I think that technological assistance to small businesses, technological assistance to individual farms, technological assistance to the, you know, small companies that will emerge in the Soviet Union, and the rise of managerial culture in the Soviet Union will be most important.

[Goryachov] So this money you think will be useful, and as I understand, your attitude is that we should continue with the reform inside the country, and at the same time we would appreciate any economic aid from abroad. Is that correct?

[Plekhanov] Well of course.

[Kortunov] We need two things going together.

[Plekhanov] Yeah, [word indistinct] both together but we should not let a United States Government, or any other government, dictate to us how we should spend particular sums of money that we receive. We will be in great trouble in five or six years time if we are blind to the fact that economic power can be more dangerous than military power in some respects, and we have to think about what we're going to do tomorrow, not just about what we have to do today.

[Kortunov] Yes, my opinion is that the fate of the Soviet Union is, of course, predetermined here and not elsewhere.

[Plekhanov] Yes. That's right in the final analysis.

[Goryachov] Well, that's it. Thank you very much Sergey Plekhanov from the Institute of the United States and Canada, Andrey Kortunov from the same institute. Thank you for taking part in this program. That was top priority. I'm Sergey Goryuchov, until next week, goodbye.

Italy's Occhetto Greets Gorbachev on 28th Congress

PM0407121590 Moscow PRAVDA in Russian 4 Jul 90 Second Edition p 6

[Message by A. Occhetto to M.S. Gorbachev under the general heading: "Greetings From Foreign Parties"]

[Text] To CPSU Central Committee General Secretary Mikhail Sergeyevich Gorbachev, Moscow.

Dear Mikhail Sergeyevich!

On the occasion of the opening of the 28th CPSU Congress I am glad to to be able to give, on behalf of the Italian Communist Party [PCI] and on my own account, a high rating of your activities and of the efforts of the USSR Government geared to developing the processes of disarmament and relaxation of tension in the world. This has made it possible to lay the basis for a new phase of international cooperation on a European and worldwide scale.

This trend was confirmed during your recent meeting with U.S. President G. Bush.

In this connection, we assure you that the PCI, as a component of the left-wing forces in Europe, will continue to do all it can to contribute to the achievement of new and ever bigger results in this beneficial process in international relations and to progress in building a common European home.

While wishing the 28th CPSU Congress successful work, I want to stress once again that we are interested in the profound transformations that are taking place in Soviet society. One would hope that the firm will for radical renewal, democratization, and openness, which has typified the whole experience of perestroyka, will be further reinforced in the work of the congress, will be supported by the whole people, and will fully correspond to the aspirations for change and progress that are very much present in society and among the USSR population.

Please accept cordial, friendly greetings and further wishes of success as confirmation of my deepest feelings of personal respect for you and solidarity with your activities.

[Signed] Achille Occhetto

Judicial Assistance Agreement With Turkey Signed

TA2906153390 Ankara ANATOLIA in English 1435 GMT 29 Jun 90

[Text] Moscow (A.A)—Turkish and Soviet officials on Friday initialed a judicial assistance agreement which sets up regulations related to bilateral judicial affairs, including extradition of criminals.

Officials said the agreement will be signed by Justice Minister Oltan Sungurlu and his Soviet counterpart Veniamin Yakovlev during a visit of the Soviet minister to Turkey later this year.

Latin America & Caribbean

Cuba's Castro Inspires Unique Ideology, 'Fidelism'

PM0407151390 Moscow IZVESTIYA in Russian 30 Jun 90 Morning Edition p 6

[Report by IZVESTIYA correspondent A. Kamorin: "What Is Fidelism?"]

[Text] Havana—I first heard this word in a television reportage from an expanded session of the Federation of Cuban Students (FEU). A young man gesticulating in an excitable manner whose speech, if memory serves, touched on the study of social sciences, looked round the auditorium and pronounced: "After all, we are not Marxists, we are Fidelists!" The auditorium erupted in applause

This word is the key to an understanding of a very great deal in Cuban reality today. The dizzying changes of our days which are reforming what previously seemed unshakable, which are recarving the map of Europe and mixing up the whole world political layout, have not bypassed Cuba either. But it has chosen its position in this process and, of course, is fully entitled to do so. However, the position presupposes a specific ideology and the term "Fidelism"—although it is seldom encountered in an official speech—is the most correct for identifying it.

Having recalled the session of the FEU, I decided to turn to its president, Felipe Perez Roque, one of today's most notable leaders of the island's youth movement, and ask him to describe what, in his opinion, it means to a young Cuban now to be a Fidelist.

"Above all it means being a creative Marxist. In our country there are many people who, while being convinced revolutionaries, have never read "Das Kapital" or the "Communist Party Manifesto." On the other hand, they have a boundless faith in the leadership of the party and in Fidel. That does not mean a personality cult, but Cubans do indeed see and feel in Fidel their leader. At meetings we shout "long live Fidel!" with real feeling and not simply to repeat a lesson learned by rote.

"In addition, to be a Fidelist you must be not only a Marxist but also a follower of the ideas of Jose Marti. It was from this combination of scientific communism and the wealth of Marti's ideas that our path was born. Both Fidel and the party may be proud to have been able to apply the theory of Marxism creatively to our conditions."

"Felipe, what if we look at this question 'from the other side?' A majority is all very well, but not everyone can think the same. Let us recall the students of the mathematics faculty who signed a document against the government's policy and ended up in prison for doing so...."

"You know, that is a good example of Western propaganda manipulating information. There were three mathematics students, all evening course students, that is none of them was even a member of the FEU (this organization only takes students in the daytime departments—A.K.). Not one of them was a youth leader, as the Western press wrote. They were arrested for antistate propaganda and calls for violence. One of them stated that he was abandoning his studies and work to devote himself to armed struggle. That is a crime!"

"Well, all right, but how do you behave with those who are not yet criminals but who, in your opinion, have already turned from the correct road?"

"In the final period of the dictatorship the university was closed, the revolution resurrected it. It was then that the slogan 'The university is for the revolutionaries' was born. And today it remains a university for revolutionaries. We are in favor of broad freedom of criticism. But it has its limits."

"What limits?"

"The main criterion is the defense of the revolution. Every person must determine who he is with: with us, or with those who are over there, on the other side of the street. Every person must decide whether to criticize constructively, offering his shoulder to resolve the problems, or to flirt with our neighbors from the north.

"Who do we expel from university? Actually, it is not we, the leaders, who do this, but the student masses. We expel anyone who rejoices in our defeats and declares himself an enemy of the revolution.

"There are also other limits. One of them is Fidel as a person. To be an FEU member you must support Fidel because that is the wish of the majority of our people. He who attacks Fidel is for us on the other side of the barricades. We also try to separate those who are deluded and have doubts from those in whom evil designs are ripening. Everyone has the right to defend his opinion, but his intentions must be good."

This talk explains much in Cuban life today but nonetheless it does not answer the question of what Fidelism is. If I were asked to answer this question in one phrase highlighting the main thing, I would reply that it is the ideology of a process taking place 90 miles away from the United States. For all Cubans without exception those ill-starred 90 miles are not simply a geographical statement. The black shadow of the outside threat emanating from "the most powerful, aggressive, and rapacious empire mankind has ever known," as Fidel Castro describes the United States, pervades all aspects of the life of Cuban society.

This threat largely conditions the principles for building the island's economic system—a centralized system capable of rapidly switching to a military footing to ensure victory in the "nationwide war" for which Cubans from pioneers to pensioners are preparing. It is true that it is not only this circumstance which comprises the thrust of Fidelism's objections to, for instance, market methods of economic management. The market, the Cuban leader says, inevitably entails the stratification of society, a rise in prices, unemployment, and social misfortunes, while the Cuban model enables all citizens to enjoy a free and beautifully equipped system of health care and education and also a ration card system guaranteeing each person equal access to the basic means of subsistence.

As you can understand, 90 miles from a hostile shore there can be no talk of a multiparty system or in general of "ideological cracks into which the enemy might penetrate."

The most important foreign policy aspect of Fidelism, which has been particularly graphically manifested recently, since the changes in the USSR and East Europe, is its orientation toward the "third world." Cuba tirelessly exposes the rapaciousness of imperialism with regard to the developing states and occupies an extreme radical position on the complex question of the South's debts to the North, suggesting that all debts be written off immediately and a new account opened.

Another important side to Fidelism—adherence to proletarian internationalism in its most active embodiments—is closely linked with this aspect. The international missions which the Cuban troops and civilian specialists have fulfilled in the African countries have become for the Communist Party of Cuba a school for the masses' ideological education. For instance, here is a phrase from an essay by a sixth-grader from the Island of Freedom, Juan Alberto Brina [last element of name as transliterated], which I was shown at the central council of Cuban pioneers: "I dreamed of the thousands and thousands of children who die every day because they have no home, no food, and no doctors, because they are exploited by the imperialist yankees. But when I woke up I felt happy, because our people are prepared to go to any part of the planet to fight the oppressors, as thousands of our motherland's sons have done. Not all of them returned, but they live in our hearts, because they fell fulfilling their honorable duty of proletarian internationalism."

From the emotional viewpoint Fidelism acts as a cult of revolutionary awareness, voluntary labor, self-sacrifice, and readiness to die at any minute in defense of the revolution. This finds its supreme expression in the slogan "Socialism or death!" which on the island ends any public speech and also in the well-known thesis that Cuba would rather sink into the depths of the Caribbean than yield one iota of its socialist principles.

As may be understood from the references in the text, Fidelism is primarily an ideology developed and expressed by Fidel Castro Ruz.

The influence of this man lies on literally everything taking place in the country and strikes the imagination. And this happens not only because the 64-year-old leader of the Cuban revolution unites in his person nearly all the top party and state posts. Lists of the leader's titles are in fact encountered extremely rarely in newspapers and speeches, he is usually called "beloved and invincible Supreme Commander in Chief" or more often simply Fidel.

Do you know, for instance, how various forums, including party congresses, take place in Cuba? The atmosphere at these forums is very informal and democratic. Only the keynote speaker mounts the rostrum, microphones are placed in the auditorium for speeches during the debates. To judge by my personal observations anyone can speak. The speaker approaches the microphone and addresses usually not the auditorium but the presidium, uttering the address "Comandante!" Usually the speaker sets out a particular problem. If it is indeed important and urgent then whatever the field to which it relates Fidel Castro unerringly finds the necessary minister with his eyes and consults with him and the way of resolving the question emerges on the spot. The Cuban leader's erudition is truly boundless.

You have to live in Cuba to become imbued with a sense of the love that Cubans express for their leader. This can be felt not only at impressive youth rallies, where thousands upon thousands chant his name until they are hoarse. I personally could never understand why, when F. Castro finds himself in the thick of the people, many people, particularly women, strive to touch his olive-green service jacket. Then an elderly Cuban woman informed me that touching the commander in chief brings good luck and cures ailments. That, of course, is an old woman's superstition, but the fact itself says a lot about the relationship between the leader and the people. I will never forget how during a torchlight procession to mark the anniversary of Jose Marti's birth, which was being led by the commander in chief, the television presenter uttered in a voice ringing with emotion a sentence which reflected very accurately what was happening on the screen: "Fidel, here is your people; people, here is your Fidel."

Are there any people on the island with a different attitude to Fidel Castro? It would be strange if there were not. True, the entire opposition to the republic's government that is at all organized is outside the country. It must not be forgotten that Miami is the city with the world's second largest Cuban population after Havana. The body of Cuban emigres is a phenomenon meriting a separate discussion, but, despite the motley nature of its political makeup, opponents of the present revolutionary course set the tone in it.

Opposition activity is practically imperceptible within Cuba. Only small groups, usually of a rights-defense tendency, "surface" periodically. A rare exception was the recent trial in Havana of seven figures in the so-called "Integrationist Democratic Movement" (IDD), who were sentenced to long terms of imprisonment on a charge of preparing a revolt. It has become known that the IDD made it its aim to change the existing system in the country, reform the constitution, establish a multiparty system, and introduce a market economy.

Even though the opposition does not constitute a force that is at all significant in the internal Cuban political setup, its figures voice their opinion of the authorities very vigorously. Here, for example, is what the Cuban dissident Roberto Luque writes about the leader of the revolution in his manuscript "The Children and the Tiger":

"Fortunately, the supreme commander in chief is a unique phenomenon in our history: No one will fill the vacuum which will arise on his death or his departure from the political arena. His regime is an edifice built around a single pillar, and there is no way it will stay standing if this pillar is removed."

"This is my truth: Fidel must go, since this is essential for the motherland's survival. He must go, for no deal, no serious negotiations, no reconciliation are possible with him; for his consciousness comprehends only the language of violence. He must go, because he has gotten stuck in the way of the entire people, like a fish bone in a starving man's throat, because it is necessary to reform the absurd, fabricated, and nonworking economic system which he created in his own image and likeness, and, consequently, its reform signifies self-negation for him. Because this system can exist only with Soviet subsidies, and the USSR cannot cope with its own irrational and inefficient economy while fattening ours. He must go, because his personal interests run counter to the nation's interests."

"I, Roberto Luque y Escalona, a person, merely a person, citizen of the Republic of Cuba, in my own name and as herald for the most silent of all majorities (a post to which no one appointed me and which I will gladly hand over to or share with others), throw down a challenge to you, Fidel. I suggest that you call a plebiscite which will decide your fate and ours. I promise you that you will lose it."

It is doubtful that the author's viewpoint is shared by those hundreds of thousands of Cubans who on festive days tie ribbons round their forehead with the slogans "Fidel is with us!" and "I will be true to you!" As regards a plebiscite, this quite "hot" issue for present-day Cuba came into being in December 1988, when a group of intellectuals (of varying caliber, ranging from little-known professors from Miami to Federico Fellini) sent the Cuban leadership a message suggesting that it follow the example of General Pinochet in Chile and call a referendum under international control on the question of the republic's political future. That is, it was virtually a question of all Cubans saying whether they consider Fidelism to be their path, to use the words of Felipe Perez.

The Cuban leadership rejected that idea. First, it considered the very comparison with Chile to be insulting, and, second, it referred to the fact that during the referendum which preceded the adoption of the country's new Constitution almost 100 percent of the votes were cast in favor of the principles of socialism enshrined in the fundamental law and the Communist Party's leading role.

It also is no coincidence that during my talks with many Cuban figures touching on the debate now in progress on the island for the fourth party congress I repeatedly heard a warning: No sensational changes like those in East Europe should be expected. The discussion will be profound and critical, my interlocutors said, but the fundamental principles will remain unshakable. Fidelism will change in line with the new conditions, but it will remain Fidelism.

Political & Social

Ligachev Denies Being 'Gorbachev's Adversary'

LD0407195490 Paris Antenne 2 Television in French 1800 GMT 4 Jul 90

["Exclusive Interview" with Politburo member Igor Ligachev by correspondent Stephane Manier—recorded]

[Text] [Ligachev, in Russian with superimposed French translation] I was not yesterday, I am not today, and I will not tomorrow be Gorbachev's adversary. We began together and we have been working together for five years. How can anyone classify me as a conservative? I wish only one thing for Mikhail Gorbachev, that he has more adversaries like me.

No, I think that there is another factor. There are people and currents of opinion that want to create a diversion. They want to distract the attention of the people and the party members from the real dangers which are the rise of the anticommunist forces and the rise of nationalism. It is these that are undermining society and the party. So in order to hide their insidious undermining work, they create the legend of Ligachev by portraying him as a conservative against perestroyka and as the man who refuses to conform to the line of the supporters of reforms.

[Manier] What could you say and what are you prepared to say to those who are today announcing that they are going to leave because they are progressive, and that perestroyka does not go far enough?

[Ligachev, in Russian] I must say I would regret that decision if it came from people who are truly progressive, because the party needs the best in our society. But I know that the best of the working class people, the agricultural workers, and the intellectuals will remain because the party needs them in order for it to develop.

Ligachev Interviewed on Current Political Issues

PY0307191490 Montevideo EL DIA in Spanish 24 Jun 90 p 6

["Exclusive" interview with Yegor Ligachev, member of the CPSU Politburo, by correspondent Alejandro Claps in Stockholm; date not given]

[Text] [EL DIA] Do you believe that the detente and gradual disarmament agreed upon by the Soviet Union and the United States will allow a conversion of the industrial-military complex into civilian industry?

[Ligachev] That is correct. The agreements signed during the latest summit by Mikhail Gorbachev and George Bush were a great step forward in improving Soviet-U.S. relations, creating better conditions for peaceful coexistence between two different social systems in the world.

It is clear that as we proceed with the disarmament program we are also going to use, without a doubt, a large part of our military industry for civilian production.

I would like to be very frank and say that if we do not convert a large part of our military industrial complex, we will not be able to solve many of the great social problems we have in the Soviet Union.

I would not like to get into why our defense budget is too large, because that is another issue.

[EL DIA] As a Communist, as a high leader in the CPSU, how do you react to the criticism from Communist Parties from different continents, how do you explain that?

[Ligachev] According to our information, many Communist Parties and workers parties in different parts of the world support perestroyka and the renewal of socialism in our country. There are politicians who criticize the events in our country, but this is only natural.

We do not expect that everything we do will be accepted around the world; if it was we would be mislead and we would lose everything.

We are certain that, in the end, the longer the perestroyka process goes on and the more practical results we get, the less critics we will have.

In your capacity as president of the foreign correspondents in Sweden, let me tell you something interesting about what is happening in my country.

There are also positive changes in my country, especially in the areas of production and relations among productive sectors.

Principles such as self-sufficiency and concessions to contractors are being developed. The economy is changing its face to resolve various social matters. For example, never before in our history have so many houses, hospitals, and schools been built.

Intensive efforts are being made in support of political reform. All society, all the state-owned organizations and interest groups, are experiencing a basic democratic change. A democratization process is also being intensified within the (Communist) Party. The congress continues its high-level activities to try to create a state of law. I think that in a short time we may see great and positive economic results.

This is why I can assure you that criticism from communist politicians, among others, will gradually lessen, although some criticism will probably continue.

[EL DIA] There is an intense debate in the USSR about the ideological position to be adopted at the upcoming CPSU congress. Sweden is often mentioned in those debates as a positive example in terms of social progress. Does your visit have anything to do with the debates in your country?

[Ligachev] That is not an easy question. This problem demands serious theoretical analysis.

I believe that if experiences from various parts of the world can contribute to the renewal of socialism, they should be applied to our country.

It is no secret that I was interested in these aspects during my visit to Sweden. There is a saying in the USSR which goes like this: It is better to see something with one's own eyes than to hear a different story 100 times.

My visit is not just a trip but a serious attempt to reflect on the experiences of capitalist countries.

I can assure you that even after visiting Sweden we will not set aside the model of socialist development. But Ligachev, as a conservative person, has always said that the socialist path should be continued, but it should be one which leads to the permanent transformation and improvement of socialism.

[EL DIA] What is your position on a multiparty system?

[Ligachev] At the Second CPSU Congress I and many other peoples deputies voted against Article 6 of the USSR Constitution.

This could lead you to the conclusion that Ligachev advocates a multiparty system.

My only conclusion is that we communists should work more actively....

[EL DIA] What is your position on Lithuania?

[Ligachev] My position is similar to the one adopted at the Third Peoples Congress. As is known, this congress, the top Soviet organization, has declared the Lithuanian Supreme Soviet's decision to separate from the Soviet Union illegal.

The Lithuanian decision is illegal and unconstitutional.

It is obvious that all our republics have their own problems. I personally believe that they have to be solved through the change and improvement of our federation.

You probably know about the law that establishes how a republic can separate from the Soviet Union. We will comply with that law.

Is it possible to find a country or kingdom where such a decision is made without consulting the people?

Is it possible to find a place where first, after just a few hours of discussion, unconstitutional measures to separate from the USSR are adopted and then negotiations are proposed?

We should first propose negotiations and then think about the possibility of separation. I think that this is the most decent and correct way to face the situation.... I am very concerned about how the people's lifestyle is being disturbed and the great difficulties they must face.

Ryzhkov Cited on Lithuania Issue, Miners Strike

LD0407121290 Moscow World Service in Russian 0930 GMT 4 Jul 90

[From the "Soviet Chronicle" feature of the "Soviet Union Day by Day" program; report attributed to INTERFAX]

[Text] [First announcer] And now a few excerpts from an interview given to a correspondent of the INTERFAX agency, Vyacheslav Terekhov, by the head of the Soviet Government Nikolay Ryzhkov. The correspondent's first question: At what level will the talks with Lithuania be held?

[Second announcer] Unfortunately, Nikolay Ryzhkov said, we have still had no reply from the Lithuanian leadership in what composition the talks will be held with representatives of the Soviet Union, whether it will be at the level of heads of government or at another level. On the basis of this determination, we will determine our own position. We place the entire intitative in the hands of Lithuania.

[First announcer] What level of talks, the INTERFAX correspondent went on to ask, is most acceptable in the view of Moscow?

[Second announcer] My personal point of view is this, Nikolay Ryzhkov said: it will be better to entrust the holding of these talks to the heads of governments. It is my premise that it will be essential to examine a very great many specific matters. In my view, the greatest difficulties could be encountered at the first stage of the talks when the Lithuanian representatives express their concept of how they see the long-term for Lithuania. If it remains within the Soviet Union with some kind of special status, then this will be one scenario for the talks, but if they categorically insist on seceding from the Soviet Union, then in that case there will be another scenario for the talks.

[First announcer] But Lithuania has officially and unofficially, on several occasions already, stated its desire completely to secede from the USSR.

[Second announcer] You see, Nikolay Ryzhkov said, the word secede presupposes a large number of interpretations. Let's not rush. When the last meeting took place with Landsbergis and Prunskiene, I understood that they aspire to have another thought also with regard to status within the Soviet Union. So I would nevertheless not speak categorically at this time about Lithuania's future. I think that the comrades should think it over again properly. It is never too late to leave. It seems to me that they have had an opportunity to think about how to live outside the Soviet market, outside Soviet reality. Just the last time I asked Landsbergis, what do you think, how long will you need for your goods to be competitive so that you can sell them not to the Soviet Union but trade, say, with the FRG and other Western countries? Unfortunately, he didn't say anything in reply to this. I think that he simply doesn't know this. I said to him, in my

turn, that in my opinion it will take seven or perhaps even 10 years to go out on to the Western market.

[First announcer] Going on to reply to a question from the INTERFAX correspondent as to his attitude to the miners' calls to hold a strike on 11 July, Nikolay Ryzhkov said:

[Second announcer] As chairman of the Soviet Government, I think that to engage in strikes at a time when we find ourselves in such a difficult situation is not at all permissible. This must not be done. My personal attitude to the possibility of a strike is all the more negative, because over this year I have myself been engaged more than anything with the problems of the miners. I have met them often and examined their questions. Perhaps I had, for example, in purely human terms more than anything become inclined actually toward the miners, and when such categorical demands are put forward now, and in the form of an ultimatum, for the resignation of the government I can only say one thing to this: I am not among those with weak nerves. If we approach it from the point of view of the state, then I think that strikes at the present time are impermissible.

[First announcer] How is it, then, that not one of the points of the government's resolution regarding the miners has been carried out? the INTERFAX correspondent asked.

[Second announcer] Who said that not one of the points of the government resolution has been carried out? Nikolay Ryzhkov replied to the question. I categorically object to this assertion; it is not true. Let's get to the bottom of it. I am of course far from the thought that everything has been carried out, but we cannot say that nothing has been carried out either. Here are some examples: we have carried out to the letter our promises regarding miners's pensions. We are now also addressing matters of leave that the miners raised, and we will resolve them. They are, after all, serious problems that are being addressed, but of course it has been impossible to carry out everything. The country lacks timber, there are difficulties with transport, and so on. So to say that the government is not carrying out its promises is absolutely incorrect.

Gerasimov Interviewed on Union, Territories

OW0507033990 Tokyo NHK General Television Network in Japanese 1217 GMT 4 Jul

[Interview with Gennadiy Gerasimov, chief of the Information Administration of the USSR Ministry of Foreign Affairs, by anchorman Atsuhisa Takashima, in Moscow; from the NHK "News 21" program; date of interview not specified; both Gerasimov and Takashima speak in English with simultaneous Japanese translation—recorded]

[Excerpts] [Takashima] Mr. Gerasimov, what does the Union of sovereign nations mean, exactly? What is the idea of united sovereign nations?

[Gerasimov] The idea is to have a new treaty. There was a treaty of socialist republics in 1922. However, the Soviet Union was actually a despotic state because Stalin had severe control. The idea is to sign a new and more fundamental treaty, and to form a free Union of sovereign republics. Decisions will be made by each republic. Republics do not have to ask Moscow to make a decision for them in each case. With the exception of defense and foreign affairs, the republics can exercise sovereign power. The idea is to have economic unification.

[Takashima] There reportedly is criticism aimed at this proposal for formation of a Union of sovereign republics. Is this criticism based on opposition to a decrease in the power of the central government?

[Gerasimov] That is right.

[Takashima] Is it welcomed by the Soviet people?

[Gerasimov] The Soviet people welcome it. By doing this, development of the economy and culture will become clear. It is aimed at giving decisionmaking power to the local people. Moscow cannot decide everything. People are complaining. President Gorbachev also says that [each republic] can act independently without relying on Moscow. It is decentralization. Moscow will have less power.

[Takashima] Can this idea solve the issue of republics' independence? It seems that discussion are now focused on Lithuania, in particular.

[Gerasimov] I think the Lithuanian issue can be solved. Lithuania will be able to make decisions independently. However, I am a little concerned about the cases of Armenia and Azerbaijan. There is a possibility of an outbreak of war if the situation there is left intact. So, this is another problem. [passage omitted]

[Takashima] I am going to ask Gerasimov about what the Soviet Foreign Ministry thinks of the northern territories issue and if there will be any progress with Gorbachev's planned visit to Japan in particular.

[Gerasimov] This is my personal view, but I have been saying for a long time that overall Soviet-Japanese relations should be [improved] first. The territorial issue comes next. The territorial issue is not the first item to be solved.

[Takashima] Does that mean that Japan is deferring the main issue by raising a problem first?

[Gerasimov] That is right. The order of preference is wrong. I do not like it.

Biryukova Discusses Upcoming CPSU Issues

90US1111A Moscow PRAVDA in Russian 28 Jun 90 Second Edition p 3

[Interview with A.P. Biryukova, candidate member of the CPSU Central Committee Politburo and chairman of the USSR Council of Ministers Bureau for Social

Development, by unidentified correspondent; date and place not specified: "Innovative Decisions Are Needed"]

[Text] [PRAVDA] Aleksandra Pavlovna, your work has been associated with resolving social issues for many years now. You handled this in the trade unions during your tenure as CPSU Central Committee secretary, and at present you do this in the USSR Council of Ministers. To your mind, in solving what social problems have we made progress and where do we still trail behind?

[Biryukova] At present, all of us do not have it easy. The people are tired and irritated because of the empty store shelves, poor services, low standard of health care, and many other things. It is difficult to talk about making progress in resolving social issues against this background. Nonetheless, this discussion is necessary in order to have an objective idea of the CPSU policy in this sphere and the actual work of communists responsible for its conduct in the Central Committee and the Politburo.

The need to actually embark on shifting priorities in favor of the social sphere was clear from the very beginning to the political leadership of the country established after April 1985. We could no longer go along with production in our country acquiring self-sufficing significance and becoming something of an economic Moloch victimizing the industries and sectors working directly for the people.

With the support of party organizations and committees, the USSR Council of Ministers and state organs in the center and in the republics have done extensive work on changing the methods of planning and management, redistributing resources, and restructuring the national economy of the country. It has been subordinated to a single goal—ensuring the abrupt realignment of the economy of our country with the concerns of people, meeting their needs and interests. In the course of the implementation of the five-year plan, its social orientation has been reinforced through freeing up additional reserves and increasing the relevant targets of annual plans. The mentality of the cadres has also been changing and the attitude toward social issues as something secondary is being eliminated. Therefore there is every reason to refer to the actually progressing social reorientation of our economy.

[PRAVDA] How is it expressed specifically?

[Biryukova] I believe that we should regard profound structural shifts under way in the national economy as the foremost in this sphere. It is exactly due to them that material facilities are being developed which are necessary for attaining the high standard of living we are striving for.

In this regard I would like to note first of all substantive changes in the distribution of the national income. The share of it spent for consumption and nonproductive construction is to come to just under 87 percent this year. For comparison, in 1985 this statistic stood at about 80 percent.

An abrupt increase in the volume of capital investment marshaled for the development of the social sphere is another profound shift. Investments for the needs of health care, culture, and education increased in 1986 through 1989 by a factor of almost two compared to the same period of the previous five-year plan. This, for example, made it possible to increase the average annual commissioning of polyclinics and schools by 38 percent and of housing by 18 percent. The overall commissioning of the latter in 1986 through 1990 will be 100 million square meters more than in the 11th Five-Year Plan.

It is particularly important that profound changes have occurred in the correlation of the rates of growth of industries belonging to Groups A and B. Last year we succeeded for the first time in changing this proportion in favor of Group B. This year its increment should amount to 6.7 percent, whereas that of Group A to 0.5 percent.

Even before "conversion" became a buzzword, we took steps aimed at using the potential of the defense complex in the interest of the social sphere. The task assigned to it is to provide modern equipment for our light industry, processing industries, and trade. At present the defense complex is responsible for the production of research-intensive, high-technology medical equipment, sophisticated household appliances, and some other types of durable goods.

These measures have begun to bear fruit. We have begun receiving modern equipment for the branches of the social sphere, though in insufficient quantities and with delays. Domestically produced equipment and instruments have appeared in our medical establishments which, in the opinion of specialists, compare favorably with their foreign analogs including equipment and instruments which were just not produced in our country previously: for example, computer tomography equipment. The contribution of defense enterprises to manufacturing consumer goods is increasing.

[PRAVDA] Why does the situation in the consumer market remain tense? What ways to ameliorate it do you see personally?

[Biryukova] The main reason is found in disproportions between the mass of goods and the money supply. The latter has been growing for a long time, beginning in the mid-1960's, and has reached critical levels in the years of perestroyka.

The leadership of the country—primarily the Union government—together with the republics has made a maximum of effort in order to improve the situation and enhance the output of consumer goods. From among the measures taken, let me name the priority transition of enterprises manufacturing consumer goods to a new

economic mechanism (as early as 1987); the introduction of state orders for their deliveries and the expansion of their scope; the granting of priority material and technical supplies to enterprises producing such goods, as well as raw and other materials for them; enhanced incentives to the labor collectives and regions for augmenting their production.

As a result, we succeeded on the whole in increasing the production of non-food goods by almost 50 billion rubles [R] between 1986 and 1989. This is 1.6 times more than the increment attained in the entire previous five-year plan. I would like to stress in particular that not only the price factor but also an increase in physical terms has been responsible for the R50 billion. For example, the output of color TV sets increased by more than 2 million, or by a factor of 1.6; washing machines by 1.6 million—1.3 times; and tape recorders by more than 1 million—1.2 times. The production of fabrics, knitted goods, garments, and footwear increased. In 1990 it is planned to increase the production of goods by R60 billion, that is, exceed the increment of last year by a factor of two.

All of our efforts to stabilize the market are destroyed by the powerful wave of the growing monetary income of the populace. The results of last year indicate the scale of "the gap" between the growth of such income and the increased output of goods: The monetary income increased by more than 60 billion whereas the production of goods by only R30 billion. We are not succeeding in arresting this trend; the unsatisfied effective demand is still growing.

How are we to ensure a rapid increase of the production of consumer goods in order to normalize the situation in the market within a short period of time and meet the needs of the people? Based on the experience accumulated during these years, I have developed the firm conviction that it is impossible to accomplish this task by half-measures, patching the holes, and administrative pressure. We need a work of strategic dimensions with a view to creating a modern industrial complex producing goods. At present the share of fixed capital allocated for producing consumer goods is too small. Only two percent of the production potential of Group A work to meet these goals, and on the whole only 12 percent of industrial fixed assets operate in order to produce goods. With a view to improving the supply of the non-food goods to the populace in the years to come, we should increase the commissioning of capacities for their production by a factor of three or four at a minimum, compared with the current five-year plan, and develop the raw material base for their production.

Furthermore, we should substantially increase the contribution of the defense complex to stepping up the production of goods. So far the social—including, so to say, consumer—effect of conversion has not been high whereas foreign experience shows the leading role of the defense industries in creating and mass-producing consumer goods, especially research-intensive ones.

Better utilization of the already available production potential is a serious reserve for enhancing the production of goods. To this end we should finally develop an economic mechanism which motivates labor collectives to increase the volume of output of consumer products as much as possible.

Finally, I believe that we should rapidly set up small and medium-size enterprises, branch plants, shops, and so on, using all forms of property extensively. This would also make it possible to solve a social problem which is acute in a number of regions—the creation of jobs for the unemployed able-bodied populace.

I believe that the more successful the establishment of a regulated market economy is, the faster and more effectively we will carry out all of the above. Despite the criticism of the concept proposed by the USSR Government, which was largely justified, no convincing alternative version was proposed. According to our projections, the output of non-food goods will increase by a factor of 1.6 to 1.7 by 1995. This is quite realistic, and this ensures that consumer demand is met continuously.

[PRAVDA] Since we are talking about the transition to a market economy, as you are aware the people are concerned about their social protection in this regard more than anything else. What is your assessment of the current status of this problem?

[Biryukova] It will not be an exaggeration to say that never before has the issue of social protection of the people been so significant for the operation of the state and the Union government as it is now. The formation of an integral system of guarantees of the social rights of man, which is in line with modern requirements, is under way.

The Law on Retirement Benefits is the greatest undertaking in this sphere. It affects approximately 60 million people. I will note that there are few countries where the law codifies a retirement age that early and a scope of professions, occupations, and types of production which give title to preferential retirement benefits that broad.

The first Law on Leaves in the history of our country has been adopted. It increases the minimal length of leave to the duration envisaged by an international convention, namely 21 calendar days, and improves the living conditions of 90 million working people.

The resolution "On Urgent Measures to Improve the Situation of Women, Protect Motherhood and Childhood, and Reinforce Families" developed by the government together with the USSR Supreme Soviet Committee for the Affairs of Women has been received approvingly by the populace. A state program for improving the situation of women is being worked on.

The young people have not been ignored. A resolution has been adopted on additional measures for improving the social and living conditions for college and vocational school students which, in particular, provides for

the payment of scholarships to all academically qualified students and higher scholarships. The law "On General Foundations of the State Youth Policy of the USSR," a concept of the main principles and avenues of the state youth policy, is being prepared.

We have vigorously taken up upgrading the sphere of social security, one of the most neglected spheres, to a modern standard. Between 1986 and 1989 the commissioning of boarding homes for the elderly increased by a factor of 1.8. Forms of state care for the elderly living alone have been created which are new for our country, such as a network of offices of social help at home and territorial service centers for the elderly and the handicapped. Work on the law "On the Foundations of Social Protection for the Elderly in the USSR," and a state program of aid to the handicapped, is nearing completion.

Of course, we cannot stop at that. Taking into account the discussion of the concept of the transition to a regulated market economy which was held, the USSR government firmly intends to envisage in the program which it is now preparing—in keeping with a decision of the USSR Supreme Soviet—an entire set of measures which ensure the social protection of the populace against the increasing cost of living, unemployment, and other eventual negative consequences of market relations. We will do everything possible to prevent the deterioration of the living standard of the Soviet people.

[PRAVDA] What is your view of the program for improving the situation of women?

[Biryukova] I have already said that such a program is being developed. A view of the equality of men and women which is new to a considerable degree is the foundation of this program. It is now obvious for us that failure to appreciate the specific interests and functions of women, which result from their natural mission of being mothers, teachers for children, and the hearts and souls of their families, has cost our society dearly.

The goal of the program is to work out measures to ensure an optimal combination of the participation of women in production, science, culture, and politics with the discharge of their responsibilities in the family and everyday life. Proceeding from this, the government has been preparing the following aspects of the program: improvements in job conditions for women, including their exclusion from night shifts, hard manual and harmful work; the application of flexible work schedules; the expansion of opportunities for improving skills; professional and official promotions; the reinforcement of financial, social, and moral support for families by the state and society; and the expanded representation of women in leadership positions in state organs, the national economy, public organizations, and the political sphere.

[PRAVDA] What priorities would you note in the long-term development of the social sphere?

[Biryukova] Virtually everything is significant in this sphere because there are many unsolved problems, and all of them affect the people and their well-being. Still, as I see it there are three issues of a priority nature on which the social feeling of well-being directly depends: To meet the needs of the populace for foodstuffs, non-food products, and services; to comprehensively raise education and culture, in the absence of which the spiritual and ethical rebirth of the people is inconceivable; and finally, to improve the entire health care system for the populace. The fact that our country does not even rank within the third dozen of states in terms of average life expectancy indicates how little attention is paid to the development of medical services, physical education, sports, and environmental protection.

I would like to say that in the current five-year plan the state and the Union, republic, and local management organs have succeeded in ensuring the priority status of health care. Our very policy in this sphere has changed. We made the reinforcement of preventive orientation, the material, financial, and cadre support for the primary echelon—that is, the development of a chain of polyclinics, dispensaries, and hospitals—our foremost priority. Special attention is paid to a fundamental improvement in medical services in rural areas and protecting the health of women and children.

Five years is not a long enough period of time to expect substantial shifts. Nonetheless, there have already been certain results. The network of dispensaries and polyclinics has expanded. Twenty-six diagnostic centers have been created, and another 14 will be opened before the end of the year. By 1993 every oblast should have such a center. These are establishments of a new type in the absence of which full-fledged medical examinations and prevention are impossible.

We have succeeded in arresting the decline and stabilizing the average life expectancy of the populace. Infant mortality has declined substantially, especially in the Baltic republics, the Ukrainian SSR [Soviet Socialist Republic] and Belorussian SSR, as well as a number of regions of Russia. The incidence of illnesses entailing temporary disabilities among the populace has dropped.

So far we have not managed to resolve the issue of drugs, despite their production increasing. All difficulties with hard currency notwithstanding, the government has been allocating the necessary funds for purchasing abroad the most significant pharmaceuticals. Naturally, a country as big as ours cannot depend primarily on imports. We should meet the need for medicines mainly through domestic production. To this end we need to build new enterprises and refrain from closing down old ones, as has been done in some places. Such measures are being taken.

[PRAVDA] What do you expect of the forthcoming 28th CPSU Congress?

[Biryukova] I believe that the goals and the main content of the perestroyka course meet the main needs of our

society. There is simply no other way to the heights of progress and to creating a worthy life for our people. At the same time, as a member of the CPSU leadership, I must say self-critically that we have not always appreciated adequately the complexity of the problems and tasks arising; frequently we lacked determination in implementing practical actions.

I am convinced that in the environment of a multiparty system the CPSU still remains the only political force capable of ensuring the consolidation of all healthy forces in our society which favor perestroyka on the basis of socialism and democracy. This is why I expect the 28th Congress to work out a platform which, having absorbed all that was the best and valuable in the precongress discussion, would ensure the rallying of party ranks and would set forth a specific, clear action program.

The congress will accomplish this mission if it focuses its efforts on seriously analyzing perestroyka with its accomplishments and mistakes, drawing the necessary conclusions, and developing a realistic platform which is attractive for the main mass of communists and nonparty members. The innovative resolution of strategic issues and the democratic renewal of the CPSU itself are necessary to this end as well as, of course, the sincere desire of all groups and currents to find grounds for interaction proceeding from awareness of our joint responsibility for the future of the party and perestroyka. This is the only way to accomplish the main task of the 28th Congress—to reinforce the authority and confidence of the people in the CPSU.

Frolov Views Congress, Future of Party Press

PM0407160590 Moscow PRAVDA in Russian 1 Jul 90 Second Edition p 2

[Unattributed interview with I.T. Frolov, secretary of the CPSU Central Committee and editor in chief of PRAVDA, under "Speaking Before the 28th CPSU Congress" rubric; place and date not specified: "Everything in Man, Everything for Man"]

[Text] [PRAVDA] Ivan Timofeyevich, you have been a CPSU Central Committee secretary for six months now. However, you have been a member of the Central Committee since the 27th Congress, you have been involved in elaborating highly important political decisions, and you have worked as editor in chief of the journal KOMMUNIST and then as assistant to the CPSU Central Committee general secretary. You have been editor in chief of PRAVDA since late 1989. What do you see as the crux of what has been done in this time, what are you not happy with, and what would you like to have done differently if that hypothetical possibility were available?

[Frolov] These years have seen a return to active journalism and political activity for me after many years of enforced inactivity.

It is hard for me to talk briefly about what has been done in this time. I see the crux as being the fact that our society has changed and may, in the last five years, have advanced a whole era. We have accumulated considerable experience—both positive and negative—in our restructuring of all spheres of our life. The disorder in the economy and in the social sphere is more evident now, and society is focusing its attention on this. The main achievement of perestroyka—the genuine revolution in people's mentality, the turnaround in and emancipation of public consciousness—is as it were receding to the backburner. Yet without this we would not have had the real changes in the political sphere and in the development of democracy and glasnost that can hardly be disputed.

As for me, it was not merely fine words about radical reforms that drew me into perestroyka—we heard a host of such words during the years of stagnation—but rather the process of humanizing all spheres of our life, science and culture included, that has indeed been started. Do you remember the CPSU Central Committee conference of June 1985 when we began to talk out loud about speeding up scientific and technical progress? It was then that I believed that the new party leadership was indeed trying to transform the chronic, ossified social structures. I also gave my article in the journal VOPROSY FILOSOFII the title "Time of Revolutionary Change," since I saw in perestroyka the "supreme contact" with people amid supreme manifestations of their intellectual and moral activity.

It took me a long time to get here to this position of being engaged in scientific and journalistic activity in the most important area for me—the humanist area—and endeavoring to center our philosophy on people, on the principle "everything in man, everything for man" so as to give science and practical work a "human dimension," and to show the significance of common human, global approaches. But this was only theory, a philosophical stance; lastly, I saw perestroyka as representing efforts at practical political work which is far more important than any theory. Remember Goethe: "Theory, my friend, is dry, but the tree of life is green." Incidentally, I was somewhat disappointed that we were not as vigorous as planned in implementing the policy of speeding up scientific and technical progress, introducing vanguard technologies, and ensuring the primacy of structural transformations in the economy and the development of culture and man himself. It is logical that economic reform went deep into the basic foundations of production relations. But we should not have neglected the aforementioned priorities.

Take another example. The CPSU Central Committee January (1987) Plenum made good decisions. They marked a qualitative spurt forward in analyzing the tasks of perestroyka, notably in cadre policy. However, these decisions soon hung in midair, as it were, lacking stable mechanisms for their implementation. We should have

acted more boldly and resolutely. Then we might not have come up against the negative processes that have taken place of late.

During the first, so to speak, "romantic" stage of perestroyka, the party won over millions of people with the idea of reform. Not just the idea but the concept whose general outlines, naturally, were and still are constantly undergoing clarification. We are as a result coming to realize more clearly what we have created, how we are restructuring it, and what kind of society we are working toward. One can hardly complain that there was no detailed, well-conceived plan for perestroyka divided into stages, and so on. A considerable number of plans of this kind were elaborated in the past—five-year and 20-year plans. But most of them remained on paper.

Of course things that we should have done differently are more obvious now. But life does not give you a second chance. I think that the coming party congress will analyze all the reasons for the slowdown in perestroyka, formulate the political lessons to be derived from this period, and map out an action program for the future—for building humane, democratic socialism. Not only socialism but, in broader terms, a society that cannot be otherwise if it does not want to end up on the sidelines of progress. Movement toward a humane, democratic society is a global process.

[PRAVDA] Your generation of politicians was molded in the fifties and sixties—a period of spiritual upsurge when thought was freed from the fetters of the authoritarian-bureaucratic system. Which elements of the atmosphere and arsenal of that period "operate" in conditions of perestroyka, which have already receded into the past, and which have not yet perhaps been brought into play?

[Frolov] The 20th CPSU Congress emancipated thought and acted as a powerful incentive to smash the bastions of dogmatism, sluggishness, stagnation, and routine. Changes began. But the fetters of the authoritarian-bureaucratic system were still too strong to be cast aside in a single, sudden effort. There was no time for greater things. The strangling noose of dogmatism once again began to tighten.

That was nonetheless an interesting time. It can truly be described as the precursor of perestroyka. The revival of innovative thinking and a critical reevaluation of the past began then, along with the desire to view life with all its contradictions and break out of the vicious circle of alienation from the achievements of world civilization. All this is, of course, now working for perestroyka. But a great deal has also been lost and that is why it has not been brought into play today.

To what am I referring? I think that the pitch of the debates is now more trenchant while in a number of cases the standard of debating is far lower, and many participants lack respect for proven facts and a desire to establish the truth. Emotions and political ambitions often take the upper hand over common sense. The cult of knowledge, which my generation valued very highly, is also being devalued. A politician and political activity are, in my view, unthinkable without knowledge and supreme culture.

Is this the price to "pay" for democracy? We can suffer it then. I think that we need to be more patient and indulgent and be more cordially disposed toward people—then we will see good principles triumph in life.

[PRAVDA] You have been a member of the USSR Academy of Sciences for almost 14 years now and have been a professor and doctor of philosophical sciences for many years. What could you single out as the main, most important thing in your scientific work over these years?

[Frolov] More than 20 years ago I wrote a book in which I philosophically debunked Lysenkoism, which prevented our science from developing. As editor in chief of the journal VOPROSY FILOSOFII, I organized debates on environmental, demographic, and other global problems. All this met with misunderstanding and opposition among the Brezhnev-Suslov ideologists. There was a fight: It thrilled me, although it made things difficult for me. But it produced definite results, preparing the ground for the transformations in world outlook and philosophy that we are now implementing. The first result was, I believe, the two-volume "Introduction to Philosophy" primer compiled by those people who were also active during the years of "stagnation." The other was the establishment of the Center for Human Sciences [tsentr nauk o cheloveke], the Institute of Man, and the journal CHELOVEK. We were geared for a long time to ensuring that people's problems were crucial throughout the system of sciences. My last book "On Man and Humanism," whose ideas were nurtured over a long period of time, is also devoted to this. Perestroyka, whatever way we take it, is geared toward man. That is why the Center for Human Sciences must be developed!

[PRAVDA] You can often now hear recriminations directed at scientists, be they philosophers or economists, that science has not given practical workers a concept of perestroyka and this is the root of all our troubles. What can you say about that?

[Frolov] I cannot talk about all sciences. But isn't the importance of the human factor in philosophy, which I have just mentioned, evidence of the link between science and perestroyka and the elaboration of a concept of it? Isn't the development of problems of common human values, scientific methodology, and global problems not the fundamental basis of what we are doing today? Of course, little has been done as yet. The years of stagnation are making themselves felt. But I think that we should not look to the past but work more intensively now and think about the future. We must realize that matters of the spirit can be destroyed rapidly but that it takes many years, maybe even decades, to create things.

[PRAVDA] Your main mission as Central Committee secretary is to direct PRAVDA's work. What is your opinion of the current situation within the party press

and what are its prospects? What decisions should the congress adopt, in your view, with regard to the CPSU mass media?

[Frolov] I did not join PRAVDA at the happiest of times for it. This year's subscription has just ended and it has become clear that the newspaper is short on roughly 3 million of its subscribers. I will not talk in detail about the reasons for this now—the press has already analyzed them sufficiently. To be brief, I can use just one sentence from the recent CPSU Central Committee resolution "On the Newspaper PRAVDA": The standard of its articles did not fully accord with contemporary demands and readers' requirements.

I think that this conclusion applies to all our party press. It has done a considerable amount to establish glasnost in society and stimulate perestroyka in its initial stages. However let's be frank and acknowledge this right out, it then began to lag behind a number of other publications in many respects and it often cedes its positions now.

I have heard it said that its prestige and popularity have been adversely affected by the decline in the CPSU's prestige. That's probably true. But one should also look at the problem from another angle: The party press itself has done little to help reinforce the party's and its own prestige. You will agree that the inertia of dogmatic thinking, the grating stereotypes, and the cold red tape that make themselves felt in both the content and the external appearance of the publications do nothing to attract, and rather repel, the reader.

In short, we need considerable perestroyka. I would even say radical perestroyka. We simply cannot do without this if we want people to read and believe us. So we at PRAVDA have begun renewing the newspaper. Naturally, the party newspaper cannot by any means stop covering the party's life and problems. But why has this section proved to be the most uninteresting in our press? Is it really doomed to be formal, boring, and drily official? Rubbish! Take our precongress "Discussion Sheet" which we began publishing in January this year and of which we had produced 50 issues (just think!) by the 28th congress. This has still been about party life, but no one will say now that it is uninteresting. On the contrary, the editorial mailbag shows that the "Discussion Sheet" articles were the most widely read in PRAVDA. The point is that here you had the pulse of keen thought, the clash of different opinions, and people's sincere voices could be heard.

Of course we cannot confine ourselves to party problems notwithstanding their importance. In my view, all our party newspapers must be truly people's newspapers. That is, they must reflect life to the full and take readers' interests and requirements into consideration to the maximum. PRAVDA has begun to pay considerably more attention to the topics of science and culture, life and the family, morality and sport. We are preparing special Sunday editions. We print far more letters—almost twice as many—since they are, after all, the babble of life itself. As you know, we held precongress meetings at the editorial office with workers, kolkhoz [collective farm] workers, the creative intelligentsia, scientists, women, military men, young people, and local soviet and trade union officials.

Reinforcing our ties with the readers can by and large be said to be our general course. This is also helped by readers' conferences in the localities, the sociological study we have begun, and of course the PRAVDA festival which involved roughly 500,000 people and which we are thinking of holding every year now. Friends of PRAVDA clubs which have sprung up throughout the country are a source of joy to us. This is a highly important movement, it is the future.

I would note that what we have done is only the beginning, only the first few steps. As for the prospects for PRAVDA and our party press as a whole, they undoubtedly depend on how skillfully, enterprisingly, and I would say wisely and ably we are able to respond to the challenge of the time. The fight for readers, viewers, and listeners will be harder in conditions of political pluralism and a multiparty system, and this obliges journalists working in the CPSU mass media to be top-class professionals.

I am sure that the subject of the press will feature widely in the 28th CPSU Congress debates. Its decisions regarding these problems should consider more fully the new situation in which we now find ourselves—to whit, a multiparty system, the Law on the Press, the formation of new soviet publications, and so on. I am worried as to how our party will reach television and radio. Relations between our mass media and the party committees are, of course, a serious question. In my view, there is a great deal in need of renewal here.

[PRAVDA] What are your personal plans for the future?

[Frolov] My life is now wholly determined by factors beyond my control: I have this and that to do. I understand this, although I do not feel indispensable. But I attach great importance to freedom of choice and personal responsibility. I have always tried to do only things that agree with my principles and my conscience. I hope to keep to this in the future too.

'Leftward Movement' Seen in Public Attitudes

PM0307094190 Moscow PRAVDA in Russian 25 Jun 90 Second Edition p 3

[Unattributed interview with sociologist Zh. Toshchenko carried as part of "Discussion Pamphlet No. 48—The Party and Perestroyka: Toward the 28th CPSU Congress" feature; place and date of interview not specified: "In the Mirror of Sociology. 'Congress' Sociological Service Reports"'—first paragraph is introduction;]

[Text] During the work of the congress of Russia's communists, the CPSU Central Committee Academy of Social Sciences Sociological Survey Center summed up

the results of a poll held in late May-early June. The aim of the poll was to ascertain the political orientations of the population on the eve of the 28th CPSU Congress. Doctor of Philosophical Sciences Zh. Toshchenko, the leader of the "congress" sociological service, describes the results of the survey.

[Toshchenko] We conducted a sociological poll in 18 regions of the country and received replies from just under 1,500 people. They included representatives of virtually all social and professional groups of the population including soldiers, pensioners, and students. I think their opinions will be of interest to Russia's communists and the members of the newly elected Central Committee. After all, the majority of those polled live in the cities and countryside of the country's largest republic.

[PRAVDA] What are the typical features of the attitudes of respondents toward the political situation in the country?

[Toshchenko] The most typical feature lies in that exactly one year ago only four percent of our respondents considered themselves uninterested in politics, but now the number of people who are indifferent has jumped to 20 percent.

[PRAVDA] What has caused this cooling off?

[Toshchenko] Above all, the continuing power crisis. The authority of the party, the soviets, and the government is declining. The authority of the country's Supreme Soviet and Congress of People's Deputies, our figures show, has also begun to decline. And, oddly, so has the informal organizations' authority. Disillusionment is evidently growing among people who cannot see any real action.

[PRAVDA] Or rather, tangible results?

[Toshchenko] Yes, that is perhaps more accurate. And here is another curious thing. A departure of some people from extreme left and extreme right positions was recorded. That is, the formation of a centrist awareness is taking place. People are opting for common sense and the ability to see the consequences of decisions and to find points of contact.

This is a natural inclination. I do not entirely agree with those mass media which write that the population is concerned only about economic questions. People are also alarmed by the problems of violence in the country, the environment, and interethnic relations. It is these four factors that determine the centrist awareness, I think. How were things before? The party vanishes and people think "To hell with it," then the state vanishes and they think "To hell with it" too. But now that the crisis is growing, people are beginning to think: Maybe they and their nearest and dearest will vanish too.

[PRAVDA] Yes, this is a troubled, unstable time. The situation is rapidly changing, like people's attitudes. The trend toward disenchantment with politics and the organs of power will obviously last for some time. In view of this, how is the attitude to political structures, in particular the CPSU, changing?

[Toshchenko] Only 18 percent of the respondents are firmly convinced that the CPSU is the leading political force. Another 14 percent agree with them, but are none too sure of their opinion. At the same time, the number of people who believe the party is not such a force has more than doubled, reaching 53 percent of respondents. That is, the party's prestige continues to decline. True, as I noted before, the prestige of state structures is also declining at the same time. Note, incidentally, that one-fourth of the respondents think that the CPSU should be in the same position as other parties and should not play a special role in society.

[PRAVDA] And did you discover people's attitudes to the perestroyka processes within the party itself?

[Toshchenko] The respondents mainly assess this process as rather slow, even timid. But it is nonetheless under way. People note positive changes in the party. For instance, in November of last year 24 percent of respondents pointed to positive processes in the CPSU Central Committee; nowadays the figure is 27 percent. The same processes were seen in party oblast committees by four percent [last November] and 11 percent [now] of respondents, and in the primary organs by six and 19 percent respectively. Note also the fact that primary organization secretaries received the highest rating for prestige—28 percent—among party workers. This suggests that fresh forces ready to support perestroyka actively from below have joined labor collective party organizations and that the appearance of these forces may increase the entire party's prestige and attract people to its ideas.

[PRAVDA] Let us return to the congress of Russia's communists. The poll that you have carried out shows a certain "leftward movement" in society, while at the same time its rejection of political and state structures continues. Obviously the new party organs elected at the congress must take this into consideration.

[Toshchenko] Unquestionably. Much will depend here on the standpoint and initial steps of I. Polozkov, the leader of Russia's communists. Obviously, if he genuinely wants to consolidate healthy forces, he will have to somewhat revise his election program and supplement it with everything rational contained in the programs of his competitors.

Role of Deputies' Ethics Commission Discussed

90UN2158A Moscow SOVETSKAYA ROSSIYA in Russian 16 Jun 90 p 6

[Report on interview with I.A. Andreyeva, secretary of the USSR Union of Designers Board and deputy chairman of the Deputies' Ethics Commission, by

SOVETSKAYA ROSSIYA political commentator S. Karkhanin; date and place not given: "The Vector of Etiquette"]

[Text] This is the only USSR Supreme Soviet commission that always meets behind closed doors. And it happens in spite of the people's interest in its work, which is quite considerable if one can judge by the letters received by our editors. This interest is quite legitimate because formation of the parliamentary culture is a process capable of producing a major influence on the efficiency of our legislation. The SOVETSKAYA ROSSIYA political commentator talked to I.A. Andreyeva, secretary of the USSR Union of Designers Board, who is also the deputy chairman of the Deputies' Ethics Commission.

[S. Karkhanin] Iren Aleksandrovna, your commission is mentioned in the press rather seldom. I am sure that many voters do not quite understand its goals and purposes, not to mention its methods. Let us start at the beginning—with its specific character.

[I.A. Andreyeva] I must say that the commission was not invented by us. Such commissions exist in practically every parliament of the world. Conflicts occur between deputies as well as conflicts relating to the work of one or another deputy. There are also claims and complaints about them. But the nuance is that the conflicting sides are moved by a variety of motives. It might sound strange, but even the plurality of opinions may become the reason for a complaint.

I want to state right away that one has to distinguish between ethics and etiquette as the two are often confused.

[S. Karkhanin] The first steps are always hard, especially if there is no definite starting point and no criteria for the work to come. Your commission did not have them either.

[I.A. Andreyeva] Yes, we could foresee only the general outlines of the deputies' ethics problems. The professional deputy's ethics does not exist in our everyday life; we never even thought about it before. We know of the doctor's or of the lawyer's ethics, but not the parliamentarian's. We started by familiarizing ourselves with the codes, rules, status particulars, and regulations dealing with ethics in foreign parliaments. To all this we added our own, although limited experience, and drafted the regulations. Soon we will send them out to the deputies so they can make their proposals and corrections. We intend to involve experts in the problems of ethics in the work on the document.

Why regulations and not a code of honor? Because they are closer to being recommendations. The dictionary says, by the way, that ethics is the area of unwritten laws. Why fix them rigidly then?

We also decided that our commission is not an investigative or punitive body. We have to help the deputies do their duty and defend them from accusations.

[S. Karkhanin] But I am sure that you have to bother some of them. The arguments heard from the deputy's podium sometimes get out of control and the speakers often "get personal."

[I.A. Andreyeva] Yes, we invited several deputies to our commission because of the conflicts at the recent congress. I would call all of those conflicts "bloodless"; they mainly stemmed from a difference in the interpretation of one or another word in the speech. The discussion was also quite peaceful and both sides tried to understand the real meaning of what had been said. Sometimes the conflicts ended with mutual apologies. And that means that our commission did not exacerbate the confrontation between the deputies but helped to eliminate the conflict. The reason why we meet behind closed doors, by the way, is exactly this: We do not want our activity turned into a trial or an interesting performance for someone, including other deputies. We invite only those who are involved in the conflict.

We do not want any rumors or publicity because we care about our colleagues' nerves. But they should know what people write to us about them. Now we are preparing selections of letters so the deputies can personally see our mail dealing with their work and behavior. And there is no comment from our commission unless, of course, we have found something that deserves our special examination. Everybody should understand that we are not accumulating compromising material and we are not keeping it for some future improper use.

[S. Karkhanin] So you are careful, well-wishing, and even display some corporate solidarity. But what about your objectivity and adherence to principles?

[I.A. Andreyeva] The defense of honor can be explained very simply: Any loss of trust in one deputy damages the authority of the entire deputy corps. But I do not want you to think that I mean the esprit de corps or a mutual cover-up.

It seems to me that the hearings on conflicts we conducted according to the deputies' initiative did not provide them with a reason to appeal to their constituents or to the press. But such a possibility cannot be excluded. And it seems to me that a deputy can defend himself in any way he finds suitable. In other words, our decisions are not mandatory but rather serve as recommendations.

Here is an example of a conflict—the argument between the deputies I. Polozkov and A. Sobchak that took place at the congress. Polozkov explained his position to the commission in great detail and agreed that a sentence from his speech could have seemed offensive to the people named in nearby text. Such things happen in the heat of an argument. Deputy Polozkov reiterated that he is not against the cooperatives and does not consider all

their employees and defenders to be criminals. The conflict in general was exhausted.

I want to emphasize that we do not arbitrate the scientific or administrative arguments—let each side defend its stand among he professionals. Our area is very localized: We deal with the relations among the deputies within the limits of their business contacts.

[S. Karkhanin] We showed you some letters sent by USSR people's deputies to the RSFSR [Russian Soviet Federated Socialist Republic] Council of Ministers. Deputy I. Ivchenko asks for a car for his aide. I. Burayev asks for the same for his brother. I. Zaslavskiy asks for a Moscow residence for a repeat criminal just released after doing his term. Don't you think one can see an ethical problem here?

[I.A. Andreyeva] The problem really exists. The deputy's status, drafted in detail and for the first time, evidently did not cover it all especially from the point of view of our tasks. For instance, take the stationery with the letterhead "USSR People's Deputy." It seems that everybody sees its meaning differently. Often this paper is used irresponsibly. On the other hand, there is nowhere to learn how to use it correctly. I have to admit that I had participated in drafting the status regulations, so this criticism is aimed at me too: The level of problems with which a USSR people's deputy has to deal is presented rather vaguely in the regulations.

If this is how things are then each deputy has to come up with his own "scale of values." The letters you showed me prove that some of our colleagues are confused about the level of their addressees also. I also think it is not tactful to send copies of the same letter to organizations varying in range and character. As for the request about a car for one's brother, this is an ethical and moral problem of a certain deputy. What is totally out of the question for one person is a norm for another. "How do you refuse one of your own?" We still have to overcome the ethical habits of everyday life that have formed under the pressure of past years. And they can be explained by somebody's dishonesty as well as by the laws that were not applied.

Speaking of honor, by the way, there are deputy's ethics in personal life—his clothes, residence, and salary. With our shortages, ethics touches upon all of it. How can we provide the deputy with goods which are being distributed at his place of work? There are many such questions and I do not have the right answers to quite a few of them. In certain situations a deputy—the people's representative—should look like the representative of a civilized country. But if they sell him a suit then somewhere else they will have to sell one suit less. It is depressing and unpleasant to speak about this subject but in one way or another it also has to do with ethics also.

Roundtable Views Recent Election Campaign, Laws

90UN2161A Moscow PRAVDA in Russian
16 Jun 90 Second Edition p 3

["Extracts" from roundtable discussion conducted by PRAVDA editorial office, led by Doctor of Legal Sciences V. Vasilyev, director of the All-Union Research Institute of Soviet State Building and Legislation; material prepared by O. Losoto, A. Chernyak, and V. Shirokov; place and date not specified: "Lessons of the Elections"]

[Text] *New soviets of all levels are getting down to business.*

The election campaign in the country is practically over and the corps of deputies has been formed, in the main. The mailbag testifies that, following the elections, the readers have a multitude of questions both on electoral legislation itself and on certain costs of the election struggle, the voting procedure, and the election results.

In order to comprehend the lessons of the elections the PRAVDA editorial office conducted a "roundtable" on this subject in conjunction with the All-Union Research Institute of Soviet State Building and Legislation. It was led by Doctor of Legal Sciences V. Vasilyev, director of the institute. The following took part in the discussion: Doctor of Philosophical Sciences V. Korobeynikov; Doctor of Legal Sciences V. Perttsik; A. Petrov, secretary of the Central Electoral Commission for the Election of People's Deputies of the RSFSR [Russian Soviet Federated Socialist Republic]; A. Sliva, deputy head of the USSR Supreme Soviet Secretariat Department for the Work of the Soviets of People's Deputies; Doctor of Philosophical Sciences Ye. Andryushchenko, senior official of the CPSU Central Committee; Doctor of Philosophical Sciences V. Komarovskiy, member of staff of the CPSU Central Committee Social Sciences Academy; and candidates of legal sciences M. Tikhomirov, A. Ivanchenko, A. Postnikov, and V. Sladkov.

We publish extracts from this discussion.

[V. Vasilyev] I would like first of all to say, and the comrades will agree with this, I believe, that the election campaign has shown that we have progressed appreciably in reform of the political system. New authorities have been formed and a new corps of deputies has been created. These are, in the main, people devoted to the goals of perestroyka, which we hope will get things going here.

What lessons should be learned? There is even now an opportunity to analyze how our new laws have worked. For the new election laws of the Union republics, the first principle was the Election of People's Deputies of the USSR Act which was adopted in December 1988. True, in the course of their preparation, practice overtook the Union act and it had to "catch up" with the innovations which were proposed by the republics. As a result amendments were made to the country's Constitution so that it, in turn, might afford the republics an

opportunity to move democratic processes forward. Direct representation of the public organizations and the holding of district meetings were thus abolished, and there was a renunciation of congresses in the majority of republics and transition to direct elections of the Supreme Soviets.

It should be clearly recognized that our electoral legislation is legislation of a transitional period inasmuch as the socioeconomic processes in the country themselves are of a transitional nature.

[V. Korobeynikov] A pooling of the efforts not only of legal experts but also sociologists, economists, social psychologists, and representatives of other social sciences is needed for a comprehensive analysis of the lessons of the elections. Nonetheless, it may be concluded even today that the new election legislation is in need, in our view, of considerable adjustments. The legislator has, say, taken insufficiently into account the transitional state of our society—from the omnipotence of the party and the state to democratic socialism. In the name of the alleged assurance of equality and democracy, the provisions of the new electoral legislation permit in a number of cases, in sports parlance, a heavyweight boxer to compete on equal terms with a lightweight. It was not fortuitous, evidently, that as a result of the elections to the republic and local soviets few workers, women, and young people were elected.

Account was not taken of the social consequences of the abrupt transition from single-candidate to multiple-choice elections. After all, different strata of society have a different degree of readiness for such a change. And the instrument of law placed them under different conditions. As a result we have a striking social and occupational imbalance in the corps of deputies. For example, of the 65 deputies of the RSFSR elected from Moscow, research associates, higher educational institution lecturers, and journalists constitute 70 percent, but the worker is represented in single digits. A similar trend was manifested at the time of the elections to the Moscow city soviet also. The same phenomena have been recorded in Leningrad and other large cities. In having completely forsworn the quota principle in the formation of the corps of deputies have we not also thrown the baby out with the stagnant bath water?

The abandonment of district election meetings led to a considerable growth in the number of candidates for deputy. In respect of some districts it amounted to 20 and more. In our view, this disorients the electorate.

A kind of "nomination nihilism" emerged. After all, neither meetings of the electorate nor the candidate himself run any palpable risk at the time of nomination. The logic of their arguments is this: "Why not gain experience of electoral struggle at state expense?" The introduction of some additional mechanisms increasing the responsibility of the meetings nominating candidates for deputy, and of the candidates themselves, are evidently needed here.

[V. Perttsik] I believe that an attempt to change reality with the enactment of new laws is an illusion. Of course legal regulation is necessary, but this condition alone is insufficient. The law can never be higher than economic relations. Life is always richer than the law. And many of the new forms of electoral legislation have confirmed this proposition, proving considerably weaker than the political practice which took shape during the elections.

Our electoral laws are geared to a one-party system. But what happened was that in the election struggle in both the Union and in the republics a whole number of public movements, organizations, and groups took part. This was essentially an interparty struggle. For this reason it is now absolutely essential to revise all the rules regulating the election campaign.

[Interjection from the floor] Research in the sphere of organization of the election campaign is evidently needed also?

[V. Perttsik] Undoubtedly.

The party committees found themselves not on the offensive but the defensive. They operated in accordance with long-standing clichés, without regard for the political reawakening of the electorate and without consideration of the experience of their political opponents. The canvassing methods proved outmoded also. We drew lines of demarcation within the party, and this complicated the political struggle.

Take, for example, "Democratic Russia." It sent to the home of every voter a letter which said: "We greatly solicit your vote for this deputy"—from the ranks of those whom the bloc was nominating. I ask myself: Why did the other associations and organizations not perform similar work?

[Interjection from the floor] Others did. There was a real "leaflet" war. Leaflets were pinned on all fences and homes. They were torn down at night by rivals, it is true. There were also many indecorous leaflets which reviled the candidates....

[M. Tikhomirov] Measures of punishment for the publication or other dissemination of false information about a candidate for deputy have been instituted in a number of republics: in the RSFSR and in the Ukrainian SSR, administrative; in Belorussia and Moldavia, criminal even. There were, truly, many instances of the slandering of candidates for deputy in the course of the elections.

Nonetheless, as you know, there is criminal liability for slander and insults in respect of all USSR citizens. The question therefore arises: Is it not the case that special provisions concerning liability for such actions in respect of a candidate for deputy place him in a privileged position compared with other citizens of the USSR?

[A. Ivanchenko] The outfits of secondary specialized and higher educational institutions and meetings of the electorate according to the place of residence now have the

authority to nominate candidates for people's deputy in addition to such traditional subjects as the work force, public organizations, and meetings of servicemen by military unit. This fact is in itself gratifying. However, pride of place on this list, in accordance with the changes made to the USSR Constitution of 1 December 1988, is taken by the work force.

[Interjection from the floor] To what extent is this justified, in your view?

[A. Ivanchenko] I would say for a start that this has been the case far from always. Even the 1936 USSR Constitution accorded only public organizations the right to nominate candidates. The shift in the years of stagnation of the center of gravity to the work force testified to the increased diktat of the producer not only in the economy and trade but in the country's political life also. This was a highly unusual mode of the electorate's participation in the shaping of representative authorities and typical only of our country. Its culmination could be a system of shop floor electoral districts, which is currently being proposed so insistently by some people and to which we have assented as yet only by way of experiment.

It has meanwhile to be affirmed that in the course of the election of people's deputies of the RSFSR, 76 percent of candidates were nominated by the work force, 21 percent by public organizations, and only three percent according to the place of residence. However, at the elections of people's deputies of the autonomous republics, the proportion of candidates nominated according to the place of residence rises to 7.3 percent and of the local soviets to 18.2 percent of their total number. The ratio is approximately the same in the other Union republics. Even in the Lithuanian SSR where, it might have seemed, the degree of assertiveness of the political parties and movements was the highest, approximately 70 percent of the candidates for deputy of the republic Supreme Soviet were nominated at meetings according to the place of work and residence. In a word, a trend toward redistribution of the proportion of nomination of candidates has emerged even now—in the future, most likely, public organizations and movements, parties, and election alliances will take precedence in the formation of electoral commissions and the nomination of candidates.

[A. Postnikov] I would like to dwell on the election campaign in Estonia. This experience is of great significance since the main political forces have already taken shape here organizationally, in the main. Estonia did not proceed by way of the creation of obstacles to nomination and did not practice such complex procedures, as in the RSFSR for example, in respect of the convening of voter meetings according to the place of residence, but introduced the petition procedure of the collection of signatures where the voters fill out the appropriate form. It is sufficient to collect 75 signatures and the candidate for Supreme Soviet deputy is deemed nominated. Approximately 40 percent of the nominations in Estonia were by way of citizens' initiative. The competition among the candidates constituted 3.5 candidates per seat in parliament. As you can see, no "squall" occurred. I would therefore like to support the idea that it is not necessary at the time of nomination of candidates to create additional barriers.

[A. Petrov] Electoral law should be such that it may be read not only by the scholar and legal expert but also by any voter who may obtain from it exhaustive answers, not wrack his brains over the two or three different interpretations which we have had in practice currently. The large number of dissatisfied complaints and protests indicates that electoral legislation needs to perfected.

It is wrong for the republic Central Electoral Commission to be writing thick sets of instructions and interpreting the law. But there was simply no other solution.

We frequently encountered the electoral commissions' misunderstanding and there were even protests where they sometimes threatened to resign, disagreeing with the requirements of the law. This is an abnormal occurrence. The law should obviously provide for such situations. And there should be measures of liability also. The law records say: A candidate is responsible for his actions and for the actions of his agents. But what kind of responsibility does he bear? No one can decide. The provision of the law "hangs" in the air.

[V. Vasilyev] But after all, the new RSFSR Election Act records an entirely different provision. If a candidate breaks the law, he is cautioned. If he does so once more, he is "scratched"....

[A. Petrov] Nonetheless, this provision should be more specific and developed more thoroughly....

And one more point. The separate opinions institution is evoking interest. It "came into play" with us for the first time in the electoral commissions. Each member of the commission has the right to express his own particular opinion. And we tried not to leave out a single separate opinion. The law, however, says nothing about this phenomenon.

It would seem to me that the system of electoral commissions should altogether be revised here. One is impressed, for example, by the experience of Belorussia where a uniform system of electoral commissions for elections to all components of the soviets, headed by the republic Central Electoral Commission, is being formed. This institution is to operate self-sufficiently and independently of the state authorities in order to take on itself all questions of the election campaign.

[V. Sladkov] My colleagues have already broached the question of meetings of the electorate according to the place of residence being accorded the right to nominate candidates for deputy. But the results of the election campaign showed that it is the passiveness of the electorate at the place of residence which was a bottleneck of the elections in all republics.

The reason for this is the electorate's insufficient knowledgeability of its rights and the insufficient organizational activity of the electoral commissions. Meetings of the electorate according to the place of residence should be convened by district electoral commissions following coordination with the corresponding soviets of people's deputies or their presidiums—executive committees—on their own initiative or the initiative of the population's public independent activity authorities. But the district commissions and the executive committees frequently displayed absolutely no interest in holding such meetings, and without their support this task was at times simply beyond the action committees. Thought evidently needs to be given to the elaboration of a procedure whereby the population's initiative does not depend on the discretion of individual officials.

And one further suggestion. The territories of the electoral districts at the time of the election of people's deputies of the Union republics are very large, and tens of thousands of people reside there at times. I believe that it would be expedient for regulating the holding of meetings according to the place of residence and to convene them by individual locality, neighborhood, block, street, and apartment house. It will be necessary here, evidently, to lessen the law's requirements pertaining to the minimum numbers of the electorate attending deputy candidate nomination meetings.

[A. Sliva] We should probably subsequently conduct elections to republic and local soviets separately. The voter is losing his point of reference as to what kind of interest resides where—where national, where state, and where rural interest. For example, if Russia were to first hold elections to the RSFSR Congress of People's Deputies, and three months later to the local soviets, it would be possible to "select" the intelligent and competent candidates which were not elected to the congress. But this way we have lost very many valuable people.

Concerning the term of authority of the soviets. We have elected them for five years in both the Union and the republics and locally. But will they express the electorate's wishes for all five years? The electoral system incorporates in addition to the Election Act a whole set of relations which it is essential to regulate legislatively.

[V. Vasilyev] To speak about that which is new which the elections have given us, mention should evidently be made of the new electorate which has joined actively in the electoral process. In addition, the factor of a departure from a one-party system has emerged and new movements and organizations have appeared.

[Interjection from the floor] Electoral law stipulates the equality of the candidates in the struggle for deputies' seats. But this was not always the case in practice. A machine operator, rayon party committee secretary, and director of an important medical establishment from Minsk were nominated in a district of Belorussia. Taking advantage of his official position, the latter arrived for a meeting with the electorate with a group of doctors with the necessary equipment and declared: "If you vote for me, I will take care of your health. But what will my opponents give you?"

Unfortunately there were such instances at every step. None of the limitations which the law had introduced in respect of equal conditions of struggle worked. The social groups which joined the election competition employed all means which they considered necessary. Nor was there equality of monetary and material possibilities. In some countries with a developed parliamentary democracy there are campaign contribution laws. Perhaps we also should be using something of this experience?

[Ye. Andryushchenko] It has been said here that there are few workers, women, and young people in the soviets. I do not see this as a problem. It is not the representative of a group but a representative of a group's interests who is needed in the soviets.

Or another point. There are arguments about where the candidates should be nominated—in the work force or according to the place of residence. Nominate as many candidates as you like at the plant or factory, but the voting will be according to the place of residence!

[V. Komarovskiy] Four elements are the most important in my view: the problem of the concept of electoral law; its connection with other laws; the question of the habits and ethics of the election struggle; and also the level of political consciousness of the population and its requirements.

I agree that there were many violations in the course of the election campaign. But the practice of organization of campaigns does not come about all at once. This amounts to experience which is acquired over a long period of time and also people's standards. In the legislation of countries with a developed parliamentary democracy there is a mass of ethical standards which no one violates. The candidates behave in gentlemanly fashion because such behavior has been "worked in" over years and decades. Believing that this would be the case with us the first or second time even is naive, to say the least.

Much will be decided by the level of political consciousness of the population, its habits, and its capacity and desire to participate in political life. However today, unfortunately, indifference is widespread if not predominant in society. In four surveyed oblasts of the RSFSR and the Ukraine, for example, only 11 to 13 percent of the electorate had a more or less decent idea of the Election Act, and 25 percent had not heard of it at all. Thirty percent of the electorate voted purely by chance. Many people did not vote at all—either because they consider the electoral law flawed, or because they could not figure out the candidates and their programs, or because they viewed the elections as a pure formality.

[V. Vasilyev] Summing up our discussion, I would like once again to emphasize that the law has moved the

electoral system forward in the direction of the development of our democracy. Nonetheless, it should be noted also that many of its provisions did not work or worked inadequately. Particularly as regards liability for a breach of election legislation. We need to draw conclusions of an organizational-political, organizational-educational, and enforceable nature from this. It is essential to elaborate legal mechanisms which prevent violations of rules of law.

In connection with the introduction of a multiparty system there is much that is unexplored and unknown for us ahead. An updating of our electoral legislation will evidently be necessary. After all, the multiparty system essentially concentrates its action precisely at elections. And normative backing for this action will require the very appreciable updating of the basic mass of legislation.

Unfortunately, we as yet lack the appropriate research structures connected with this set of problems. Our political system is developing, and new structures and phenomena are emerging, and scientific support for this movement is extremely necessary for this reason.

Soviet Generals' Political Ambitions Lambasted

LD0507091390 Moscow TASS in English 0908 GMT 5 Jul 90

[Text] Moscow July 5 TASS—Anatoliy Krasikov, deputy general director of the TASS news agency, lambasts the political ambitions of Soviet generals in the latest issue of the Soviet NEW TIMES magazine.

In connection with recent militant statements by General Makashov, commander of one of the Soviet Union's military districts, he describes, in the form of an interview with former Spanish Defence Minister Agustin Rodriguez Sahagun, how the Francoist Army was depoliticised during the dismantling of the dictatorship.

Krasikov's conviction is that General Makashov and people thinking like him caused a commotion "on the plea of protecting the Army from unfriendly remarks, whereas in actual fact it is not the Army—an integral part of the people—that is criticised but only those who would like to use it for their own purposes or who still think in the categories of yesterday".

Agustin Rodriguez Sahagun, who is now the mayor of Madrid, in a talk with the Soviet analyst said that while building a law-governed state in Spain, the advocates of democracy succeeded in taking the Army out of the trenches of the civil war, in making it observe the strictest neutrality in matters of domestic policy, and in teaching it loyalty to the law and not to the principles of this or that political organisation.

"We also have something to ponder over," the TASS deputy general director writes.

Opinion Poll Shows Attitudes to Communist Party

LD0507045190 Moscow Domestic Service in Russian 0130 GMT Jul 90

[Text] The All-Union Center for the Study of Public Opinion carried out research into the populations's attitudes to the Communist Party of the Soviet Union. Two thousand one hundred and fifty respondents took part in he survey. Over 80 percent of them said that over the past two or three years, the prestige of the CPSU had fallen.

One of the questions in the quenstionnaire was formulated thus: Who, in your opinion, began the present process of democratic transformations in the country? Gorbachev was considered the pioneer in that matter by 57.8 percent; over 11 percent named Sakharov; 10.9 percent named Khruschev, who delivered a report at the 20th CPSU Congress; and around 8 percent on the whole do not see that the process of democratization is under way in the country.

In the next point of the questionnaire, respondents were asked to express their agreement or disagreement that without the CPSU our country would not have become a great state: 25.6 percent agreed completely; 36.5 percent agreed partially; and 25.9 percent of those asked did not agree at all.

Those who took part in the survey also expressed their view on the following question: What activities of the CPSU may reinforce confidence in it? A purge of party ranks would be a benefit according to 37.5 percent of respondents; 20.4 strenthening of internal party discipline; 22.5 percent said that here complete openness of party congresses and plenums, and the opening of the archives, would be a benefit; 12.13 percent think that it is no longer possible to restore confidence in the CPSU; and 8.5 percent of the respondents have never lost confidence in the party.

The results of that research are published in the 27th issue of the PRAVITELSVENNYY VESTNIK [GOVERNMENT HERALD] weekly.

Disparate 3 Jul Rallies in Moscow Reported

PM0407161190 Moscow IZVESTIYA in Russian 5 Jul 90 Morning Edition p 3

[Report by P. Gutiontov: "Moscow Rally...."]

[Text] A rally of Muscovites called, as the organizers planned, in order to express the attitude of the capital's democratic forces to the processes taking place in the Communist Party and to state their readiness to withstand the conservatives' onslaught, was held on the evening of 3 July.

It had rained all day so that by today's standards there were not many people gathered under umbrellas in the square near the Gorkiy Park of Culture: According to various calculations there were 3,000-6,000 people.

Judging by the flags and placards, representatives of the Moscow Voters Association, the Russian People's Front, the anarcho-syndicalists, "Rukh" [Ukrainian Peoples Movement for Perestroyka], and the Lithuanian and Belorussian Societies [zemlyachestva] were there, and people's deputies spoke. Vitaliy Korotich stated, in particular, that the CPSU congress "should recognize two things: our (the people's) right to run the country, and the harm we have done [vina pered] to the country." Ilya Zaslavskiy, in his capacity as chairman of the rayon soviet, welcomed those present "on the territory of Oktyabrskiy Rayon" and put forward the slogan "The Bolsheviks Should Hand Over State Power!" USSR People's Deputies Majors Konstantin Kharchenko and Vladimir Lopatin, insisting on the implementation of radical military reform, stressed that "the Army exists for the people, not the people for the Army." Both condemned General Makashov's speech at the Russian Congress in the most scathing terms....

I think that we should realize that these sentiments are not only shared by those who attended the rally. It is quite obvious that, following the formation of the RSFSR [Russian Soviet Federated Socialist Republic] Communist Party, a certain section of society has been gripped by feelings ranging dangerously between disappointment and irritation. This applies above all to the intelligentsia—the scientific, creative, technical, and Army intelligentsia....

Lack of faith in the possibility of reform in the Communist Party, or that it can at least keep pace with perestroyka, has replaced gratitude for the fact that it was the leaders of that same party who initiated the process of change in the country five years ago.

...A rally organized by supporters of the United Front of Working People [UFWP] was held at Luzhniki Sunday. Although the weather was fine, there were fewer people—around 150-200—which, incidentally, did not stop them making lots of noise as usual. Thus the UFWP stated that "reaction (that is what the supporters of change were called—P.G.) has been driven mad by the consolidation of Russia's communists at the recent RSFSR Communist Party Constituent Congress. The masks have been removed.... The 28th congress will not carry out its role if it fails to turn into a congress of resolute communist resistance."

Just what do the UFWP leaders intend to oppose? On what basis are they consolidating? In their appeal to party congress delegates they clearly answered these questions. "To reject the government course of the market economy..."; "to prevent the elimination of Communist Party organizations and labor collective councils at enterprises..."; "to condemn unfounded attacks on the Army and KGB and Ministry of Internal Affairs organs and the desire of bourgeois elements...to turn military formations into detachments of mercenaries capable of fighting against their own people..."; "to raise and resolve the question of the correspondence between the activity of M.S. Gorbachev and A.N. Yakovlev and the party posts they hold, and of their presence in the party...."

That, indeed, is the entire "right-wing alternative." That is the consolidation program. At any rate, I think it would be very useful for the 28th congress delegates to seriously think about it. Just as they should think about the democrats' rally in the Park of Culture.

Internal Affairs Ministry Cited on Hijacking

LD0407173490 Moscow Domestic Service in Russian 1500 GMT 4 Jul 90

[Text] An intolerable situation has taken shape on internal air routes. It looks as if hijacking of aircraft abroad is a commonplace phenomenon. At the briefing of the USSR Ministry of Internal Affairs the subject dealt with was measures to combat air terrorism. We shall cite a few facts quoted at the briefing.

All in all, since 1958 69 attempts have been made to hijack aircraft. As a result of the hijackers using weapons, 120 people have perished and more than 200 have been injured. The Ministry of Internal Affairs, the USSR State Security Committee, and the Ministry of Civil Aviation have worked out a program to prevent air terrorism. First the preflight monitoring of passengers will be intensified. Second, militia staff who have undergone special training will act as escorts on the aircraft. Third, every effort will be channelled into concluding international agreements making it impossible to avoid punishment for air terrorism.

Measures To Be Stepped Up

LD0307191590 Moscow TASS in English 1849 GMT 3 Jul 90

[By TASS correspondents Aleksandr Borisov and Georgiy Shmelev]

[Text] Moscow July 3 TASS—"To step up efforts to combat crime at air transport facilities of civil aviation at the USSR's airports, we plan to set up special aviation safety devices," Soviet Deputy Interior Minister Statis Lisauskas told a briefing at the Soviet Foreign Ministry today.

"The adoption of these measures was prompted, first and foremost, by the need to prevent attempts to seize passenger aircraft and their hijacking from the USSR to foreign countries, the number of which has steeply increased lately," Lisauskas said.

He recalled that 20 attempts to seize civil aircraft and four hijackings were recorded between 1978 and 1988. The last three weeks of this year have witnessed the hijacking of five aircraft to foreign countries, four of which carried passengers. The attempt to hijack an aircraft to Turkey was aborted on June 28. This aircraft was en route from Krasnodar to Krasnoyarsk via Orenburg.

Among the persons involved in hijacking, two are young people under 18 and one is registered at a psychiatric clinic. According to tentative estimates, the youngsters did not have accomplices. All of them were arrested by the authorities of respective states.

Soviet agencies are taking necessary measures to return them to the Soviet Union to face criminal charges under Soviet laws. In handling these problems, the USSR meets with the understanding of the authorities of those states to which Soviet aircraft were hijacked.

General Vladimir Yegorov, head of the main Interior Ministry transport department, told the briefing that there were four attempts to seize civil aircraft in the USSR last year, none of which were successful. Over the same period, civil aviation workers detected during pre-flight inspections more than 100,000 attempts to smuggle substances and goods that are banned for air transportation. They seized 319 firearms, 400,000 miscellaneous ammunition, over 700 kilograms of explosives, 30 shells, etc.

Soviet Deputy Civil Aviation Minister Mikhail Timofeyev told the briefing that the Civil Aviation Ministry, law enforcement agencies, and the Foreign Ministry had elaborated a draft of the state programme for the USSR civil aviation security. The programme is "a package of organisational, technical, and legal measures to ensure maximum security to passengers and pilots of civil aircraft."

Woman's Hijack Attempt Fails

LD0407162190 Moscow Domestic Service in Russian 1500 GMT 4 Jul 90

[Text] Having just breathed a sigh of relief after the news that serious measures are being taken to prevent the hijacking attempts, we have received another report about the attempted hijacking of a plane.

A female passenger with a baby in her arms aboard the Tu-134 flying from Adler to Rostov threatened today to blow up the aircaft if her demands were not met. She demanded that the crew fly to Istanbul. The crew promised to do this, but landed in Rostov.

The personnel of the militia's aviation department managed to disarm the traveller in a few seconds. The hijacker was Mayevskaya, a 30-year old mother of two children who works as a saleswoman in one of Adler's book shops. She intended to go abroad with her two-year-old daughter.

The daughter returned to Sochi with her father, who flew in from Adler to collect her. Mayevskaya will have to stay in Rostov a while longer.

Amendments, Additions to Criminal Procedures Law

PM0407103390 Moscow IZVESTIYA in Russian 22 Jun 90 Morning Edition p 2

["USSR Law on Amendments and Additions to the Fundamentals of USSR and Union Republic Criminal Procedure"]

[Text] Guided by Articles 54, 55, 56, and 57 of the USSR Constitution, the USSR Supreme Soviet **resolves**:

To make the following amendments and additions to the Fundamentals of USSR and Union Republic Criminal Procedure ratified by the USSR Law of 25 December 1958[1]:

1. To add to articles 27.1 and 35.1 the following:

"Article 27.1: The duty of the investigative organs, the investigator, the prosecutor, and the court to take measures to ensure the safety of the participants in a trial and others

"When there is sufficient evidence that an aggrieved party, a witness, or other parties to a case—as well as members of their families or close relatives—are threatened with death, the use of violence, the destruction or damage of property, or other unlawful actions, the investigative organ, investigator, prosecutor, or court is obliged to take the measures provided by the law of the USSR and Union republics to protect the life, health, honor, dignity, and property of those people, and also to establish who is to blame and bring them to account."

"Article 35.1: Tapping telephone calls and other conversations

"The tapping from telephones and other devices of the conversations of a suspect, an accused, or others involved in a crime may be carried out in criminal cases that have been instituted by decision of an investigative organ or investigator with the authorization of the prosecutor, or by a court order if there is sufficient grounds to believe that as a result of the tap information will be obtained which is of considerable significance for the case. Telephone or other conversations may not be tapped for more than six months.

"When there is a threat of violence, extortion, or other unlawful acts against an aggrieved party or a witness, their telephone or other conversations may be tapped at their request or, with their consent, on the authority of the prosecutor or by court order.

"Sound recordings of conversations may be made during the tapping of telephones or other devices.

"The procedure for tapping and recording conversations is defined by the law of criminal procedure of the union republics.

"Parties to the tapping and recording of conversations by telephone or other devices are warned of the responsibility for disclosing information thus obtained.

"An official record is to be kept of the telephone tap and the sound recording with a brief account of the content of the tape recording [fonogramma] of the conversations which have a bearing on the case in question. The tape recording is to be attached to the official record and the section not relating to the case is to be destroyed after the sentence has become res judicata."

2. Part two of Article 12 is to read as follows:

"Trial in camera is additionally permitted by reasoned court order in cases of crimes committed by people who have not reached the age of 16, in sexual offenses, and other cases for the purpose of preventing the disclosure of information about intimate aspects of the lives of the parties to a case as well as in instances when this is required by the interests of ensuring the safety of an aggrieved party, a witness, or other parties to a case as well as members of their families or close relatives."

3. Part two of Article 29 is to read as follows:

"Investigative organs are instructed to adopt the necessary measures, including by use of videotapes, photographs, and sound recordings, for the purpose of exposing the elements of a crime and the people who committed it and the discovery of factual information which may be used as evidence in a criminal case after it has been verified in accordance with the law on criminal procedure";

In part three, after the words "examination, search, and seizure," add the words "the tapping of telephone and other conversations and the impounding of property," and after the words "examination of the aggrieved partiess and witnesses" add the words "and where necessary—commissions an expert report."

[Signed] M. Gorbachev, president of the USSR.
[Dated] Moscow, The Kremlin, 12 June 1990.

Footnotes

1. VEDOMOSTI VERKHNEGO SOVETA SSSR 1959, No. 1, p 15; 1981, No. 33, p 966.

Gorbachev Decree on Silayev Reassignment

PM0407090390 Moscow SOVETSKAYA ROSSIYA in Russian 3 Jul 90 Single Edition p 1

[USSR presidential decree dated 2 July "On the Release of Comrade I.S. Silayev From the Duties of Deputy Chairman of the USSR Council of Ministers"]

[Text] Comrade Ivan Stepanovich Silayev is to be released from his duties as deputy chairman of the USSR Council of Ministers in connection with his reassignment.

[Signed] M. Gorbachev, president of the USSR.
[Dated] The Kremlin, Moscow, 2 July

Economic

Opinion Poll Shows Growing Pessimism on Economy

PM0407133390 Moscow IZVESTIYA in Russian 3 Jul 90 Morning Edition p2

[V. Boykov commentary: "What the People Say; Public Opinion, Opinion Poll, and Sociologist's Commentary"]

[Text] The CPSU Central Committee Academy of Social Sciences Sociological Research Center has conducted a survey of public opinion on the situation in the country's economy and ways out of the crisis.

Almost 70 percent of the respondents said that the situation has reached a critical point, which could be followed by catastrophe. In particular, there has been a sharp increase in the number of working people dissatisfied with economic disorders in production: Whereas there were only nine percent last year, this year there are 67 percent.

There is also growing pessimism regarding the prospects of the country extricating itself from its economic crisis. Now only 11 percent believe in a speedy solution and a mere two percent are confident of a successful outcome [sentence as published]. A year ago the optimists accounted for 48 percent of the respondents.

What do people see as the main reason for the failures in economic activity? First and foremost, mistakes in the present economic policy (approximately 70 percent). Then (in descending order of importance) they point to the "mafia" in trade and administration, wage levelling, departmental monopoly, the turning of production into an "almshouse" for idlers, edict-style production management, the subordination of the economy to ideological dogma, and the absence of free enterprise.

Although more than half of the respondents said that their enterprise has transferred to economic accountability and cost-recovery, few have felt any positive changes. For example, 90 percent see themselves as nothing more than day laborers and only 10 percent feel they are in charge to some extent. The process of turning workers into the masters of their enterprise can only be seen among those who work under the leasehold system.

People are also becoming less confident that their work will finally be worthily remunerated. Even those few who have noticed an improvement in their wages do not connect this with the size of their labor contribution. At the same time, there is growing confidence that even with a deterioration in work standards many will still receive all "that is due to them." Seven percent said this in 1986; nine percent in 1988; 18 percent in 1989; and 46 percent in 1990.

Is this not the reason for the deteriorating situation at enterprises and economic units everywhere? For example, whereas in 1986 a deterioration in labor organization was noted by only five percent, in 1990 this figure has risen to 22 percent; a deterioration in working

conditions—nine and 24 percent respectively; and a drop in labor discipline—four percent in 1988 and 36 percent in 1990.

Those are the assessments of the present situation. And how do people view the future, the arrival of which is linked with the transition to a market economy?

Approximately half of the respondents appreciate and support the need for this step. But one in two advocates of a market economy fear negative consequences in the shape of weakened state control in the economy. Whereas 65 percent were in favor of a market economy in January 1990, only 43 percent were at the end of May. In this respect, however, there has been an increase in the number of people who are not actually opposed to a market economy but have their doubts about it. As far as negative consequences are concerned, people expect to see price rises (52 percent), more shortages (43 percent), unemployment (40 percent), and a deterioration in the standard of living (33 percent). A total of 27 percent believe that the only people to benefit will be dodgers, schemers, and the underground rich. The expected positive effects make a more modest showing in public opinion: 40 percent believe that the stores will be filled with goods; 28 percent think that levelling will be overcome and the prestige of honest labor enhanced; 26 percent believe that discipline will increase; and 19 percent expect speculation, overreporting, and pilfering to disappear.

As many as 48 percent of the respondents admitted that they personally are not prepared for a market economy. Only four percent feel they are well prepared in this respect. Willy-nilly, all this forces people to cling to measures which, although detrimental, do nevertheless guarantee some sort of subsistence minimum—such as the ration card system or policy of freezing prices.

Social apathy is also apparent in the population's attitude to the adoption of very important laws. For example, only six percent of the respondents fully approve of the Law on Ownership; 12 percent do not approve; and 44 percent did not feel it necessary to even read it. They show roughly the same kind of attitude to legislation on land, the leasehold system, and income tax.

'No Queueing' Promised in New Market Economy

PM0307131990 London BBC Television Network in English 2130 GMT 2 Jul 90

[Interview with Leonid Abalkin, deputy chairman of the USSR Council of Ministers, in Russian with English subtitles, by news presenter Jeremy Paxman in Moscow, following a report on the possible introduction of a regulated market economy in the Soviet Union; no date given—recorded]

[Text] [Paxman] Well, the man who has to try to sort out this mess is the Deputy Prime Minister Leonid Abalkin. I went to see him in the Kremlin, and I began by asking him why he'd become so attached to a term more closely and more usually associated with Margaret Thatcher.

[Abalkin] The market is a product of human culture, the best that has been created within economics over many centuries.

[Paxman] So when you talk about a regulated market economy, what is the model?

[Abalkin] Our market is perhaps closer to the European model and closer to the social democratic versions of market structures, such as Austria, France, and to a significant degree West Germany: free enterprising market mechanisms of price fixing, the opportunity to buy capital in a form of unlimited number of stocks, and getting dividends—all this is envisaged by our program.

[Paxman] In the end, what will decide the prices of goods—will the government decide it or will the market decide it?

[Abalkin] The market will, but with a few exceptions. For example, if we allow that the state will remain the owner of the railroads or electric systems like it is in France, it means that there will be no market relations in those fields because there will be one producer and millions of buyers but no competition.

[Paxman] These are amazing things for a man of your background to be saying, but don't they amount to a betrayal of the revolution?

[Abalkin] First, and above all, I'm a scientist, and in science, there is only one god—the truth. Any man who wants to enter the path of science should first of all give an oath to tell the truth, only the truth, and nothing but the truth because in science, there is nothing else. So, when life undergoes changes, when historic experience proves that some methods and approaches were wrong while the other way was correct, if you want to remain an honest man and a genuine scientist, you have to face up to the truth and call it by its proper name.

[Paxman] But if you have this belief, wouldn't it be better to go the quick route and get the agony over quickly like Poland?

[Abalkin] In Poland they traditionally have a system of small, privately owned agricultural farms: Such a system is more flexible and quickly responds to all fluctuations of the market. We don't have it—our structures are of another kind. In Poland they have a general social consensus, and the government has received a popular mandate: Eighty to 90 percent of the population support the program proposed by the government. Our government has to go on with its reforms without such a large support. In Poland there is a strong influence of church—the church shapes all the ideology there. We don't possess a powerful ideological tool like that.

[Paxman] Everywhere I go in this city, I see people queueing for bread, for other kinds of food, for vegetables, for drugs—for almost anything. How much longer are people going to wait for you to work your miracle?

[Abalkin] Those who frequently come to our country know that queueing up and spending hours in queues has become our national tradition. While waiting in queues, people not only quarrel but they also discuss the latest political news. Queues are our shame, of course: They are a disgrace to this social system. So, we merely want to explain to people that if and when we switch to a market economy, there'll be no queueing, no black marketeers, no more of those notorious special distribution centers where goods are sold only to party officials or only to war veterans or only to mothers of large families. No, there'll be just normal shops where everyone can buy whatever he wants and without any queues. That's what we are promising our people: It could be a very simple matter.

500-Day Economic Recovery Plan Described

904A0460A Moscow TRUD in Russian 27 Jun 90 p 2

[Interview with USSR and RSFSR People's Deputy Mikhail Aleksandrovich Bocharov by I. Galperin; date and place not specified: "Five Hundred Days Are Enough to Cure the Economy"]

[Text][Galperin] Mikhail Aleksandrovich, what is your opinion of the Ryzhkov-Abalkin government program for a transition to a market? Will it be able to become truly radical by September and gain a majority in the parliament?

[Bocharov] My opinion was and still is that the USSR government should finally come to a precise and clear determination: Economic programs should be initiated by republics. The First Congress of RSFSR [Russian Soviet Federated Socialist Republic] Deputies has already defined some points concerning the mutual relations between the center and the republics. This is why I do not believe that the universal program of an economic reform in the USSR submitted to the Supreme Soviet will play any essential role, all the more so because it needs to be perfected.

Losing another half year is criminal because at present every day calls for precise and clear decisions. The issue of facilities under construction and their eventual sale is very important. In this matter, no resolution of the Supreme Soviet is required. Perhaps no resolution is needed in order to put the tax system and lease relations in order. The Law on Leasing has already seen the light of day, and a mechanism is now required that would set it in motion. It should derive from the government. In the process, it should provide not only for opportunities to switch to leasing but also for sanctions against those who interfere with taking advantage of these opportunities. However, there still is no such mechanism, and it is pure nonsense to hope that in September we are going to revisit this issue.

At present the center should be thinking about mutual relations with the republics and the responsibilities it could assume—and the center is being late again. That is, it should ultimately be preparing materials accompanying a new Union treaty, its economic support base. I have mentioned the tax system. We have adopted the Law on Taxes but the following question arises once again: Will the tax policy be really super-centralized? The republics should not be getting "injections" from the center; on the other hand, the center should understand that powers and consequently financial resources will be given to it by the republics, and a tax policy will evolve from below.

The primary foundation, the cell, is to be represented by the rural soviet, rayon soviet, city soviet, and ultimately man. After all, we work for him rather than for some mythical state.

[Galperin] That is to say, you believe that all the nuances of the simultaneous transition to a market economy in the entire country cannot be calculated in advance because the very notion of "market" itself means the movement of ideas from below?

[Bocharov] Of course! The development of the market from below is natural. Legislative acts, primarily those of the republics, should codify what has already come about. We should provide an opportunity for the local soviets to be legislative organs on their territory. That is to say, the republics determine which laws, taxes, and mutual relations between the soviets and industry there may be and correspondingly. I repeat once more, the republics delegate powers to the Supreme Soviet of the country. At present, all attempts by the Supreme Soviet to preordain everything in advance are simply doomed to failure.

[Galperin] In any event?

[Bocharov] In any event it is going to be "the wrong thing." We are knowingly putting our economy on tracks different from those along which a radical reform should proceed. Meanwhile, a treaty is needed for the republics to get a feel for radicalism and for the parliaments and governments of the republics to adapt quickly to the new situation.

[Galperin] Can the radical program which you proposed at the Congress of RSFSR Deputies be implemented now? The statements of your rival in the elections, Ivan Stepanovich Silayev, deputy chairman of the Union government and currently prime minister of Russia, suggest that apparently he will borrow a lot from your proposals.

[Bocharov] Before speaking in the Supreme Soviet of Russia, I naturally examined many available programs including those of the central government. Out of a multitude of proposals I opted for a program developed by a group of economists. Thus far I have not been empowered to name its main author. I took this program

as a base. It was designed for 400 days; we modified it to last 500 days and shifted some deadlines and some wording.

Here are the first stages of the alternative economic reform: the first, preparatory stage—100 days.... In this period of time an audit of national assets and the defense industry will be conducted, and a system of social guarantees will be prepared. The release of property by the state will begin, and a warning about the discontinuation of supports and subsidies will follow. The completion of the methodological, organizational, and legislative preparation of the reform will be the criterion for switching to the next stage.

The second stage will last from the 100th day to the 250th day. Within this period of time privatization will be carried out and branch ministries will be eliminated and merged. Banking, tax, and budget reforms are provided for and subsequently the introduction of antimonopoly legislation, the marshaling of the most lucrative assets to the market, and hard-currency auctions. The receipt of 200 billion rubles by the state will be the criterion for a transition to the next stage....

The third stage will last from the 250th day to the 400th day. The start-up of a market mechanism; the removal—for the most part—of state control over wages; the introduction of a system of social guarantees, indexation, target-oriented assistance programs; and so on. A deep recession in the basic industries is probable, and for this reason the regulation of unemployment and inflation is envisaged with a view to abrupt restructuring in the economy. In the event of extreme necessity there will be a freezing and elimination of the excessive demand for currency, the revaluation of bills accompanied by filling out declarations during the exchange, and a freeze on the people's savings lasting from 200 to 300 days. Attaining a point at which the decline in basic industries slows down is the criterion for a transition to the next stage.

The fourth stage will last from the 400th to the 500th day. Stabilization. The abrupt enactment of selective stabilization programs by the government: centralized capital investment for the elimination of disproportions, the utilization of the reserves accumulated and imported resources for regulating (reducing) the level of consumer prices, and adjustments in the social programs.

I do not think that something can be borrowed from this program in a piecemeal manner. It is another matter that it needs to be perfected to a degree. There already are many proposals based on this program. I am convinced that the Supreme Economic Council of the republic which has been formed by the congress will be capable of perfecting it. I believe that I am going to work in this council; at any rate, there is an agreement to this effect with Boris Nikolayevich Yeltsin, chairman of the Supreme Soviet of Russia.

As I said in my speech, the task of perfecting the program promptly, within a month, in view of the conditions of the Russian Federation, from the angle of mutual relations with the republics, is entrusted to the council. This is a very important aspect—it is not going to work otherwise. I would like this program to be adopted for the Union as a whole as well because it is exactly the one to offer a general outline—radical, clear, and simple measures. The main point is that this program sets precisely tight deadlines and priorities, perhaps, for the first time in our history.

[Galperin] Do you think that the prime minister of Russia agrees with the main deadlines and provisions of this program?

[Bocharov] When I announced this program I assumed the full weight of responsibility. This is why I would like to hear from Ivan Stepanovich that, if he takes this program as a basis, he also takes its deadlines. Or hear him say that the program cannot be implemented with these deadlines, and then the deadlines may be changed. However, our electorate, in general Russia, should know precisely and clearly: In two months we are going to do this, and in three months that. That is to say, we will place ourselves under the control of our society.

The new chairman of the Council of Ministers of Russia stated that he is going to cooperate with us. Cooperation is an elastic notion; it is just that everyone needs to work hard. This is why the Supreme Economic Council is being created which consists of scientists, economists, industrialists, and agricultural specialists. I am in favor of people directly involved in production accounting for a majority, 70 percent, of this council. There have been enough theoretical discourses; it is time to translate them into practical deeds. This is why I think that I will cooperate directly with the government though this, the Supreme Economic Council, is a nongovernmental organ. I would like its studies to be adopted by the government. Thus far the statement of Silayev has not referred to the specific forms of joint work.

Besides, I did not quite like the words in his statement to IZVESTIYA, in particular about me officially refusing to cooperate with him in the government. The point is that thus far the chairman of the Council of Ministers of Russia has not proposed this to me either personally or through an intermediary. This is why the Silayev's statement in the central press surprised many people, and naturally me, though I did refer to my personal responsibility for the program myself. This is why I would like this aspect to be reflected in your newspaper.

[Galperin] What is your attitude toward the price reform?

[Bocharov] I have said repeatedly that Russia is a very rich country. We lose mainly due to the system of price setting. We lose both in our relations with other republics and in the world market. There is no avoiding it; we will have to change everything, in particular change prices beginning in 1991.

In Russia there is every opportunity to prevent the standard of living from falling in the course of changing prices. These calculations of ours will be formulated and brought to the attention of millions of our citizens shortly.

[Galperin] Is it obvious in this case as well that the policy of price changes should also issue from the republics?

[Bocharov] Naturally. This should issue from the republics, from producers, from below. A mechanism is once again required on all issues. A system of price setting will not be created until we agree, sit down with other republics at the table, and come to a determination. It is impossible to switch to world market prices right away. This transition will be gradual, and the issue will arise: Over what period of time?

[Galperin] Should stages be defined once again?

[Bocharov] Indeed, clear and precise stages should be mapped out because I understand that if timber, oil, and gas are to be sold in our domestic market at world market prices this would produce a shock in the republics. Of course, Russia should be both wise and magnanimous in this sphere.

Gorbachev Adviser on Market Economy Reforms

PM0407135890 Moscow MOSCOW NEWS in English No 26, 8-15 Jul 90 p 10

[Interview with Nikolay Petrakov, economic adviser to President Gorbachev, by Vladimir Gurevich; place and date not given: "Another Version of Plan for Market Economy"]

[Text] [Gurevich] Having criticized the government's strategy for a transition to a market economy, the parliament made a note of it and took a holiday. In September it will resume discussion of this crucial problem. What is there in store for us? How can we achieve a market economy? So far, there is only one alternative under consideration.

[Petrakov] The government's report mentioned two versions, including a very tough one. But only one was submitted to the Supreme Soviet. After being elected President of the USSR, Mikhail Gorbachev instructed the government to work out measures for making the reform more radical. Naturally, this did not rule out the possibility of alternative programmes for a transition to a market economy.

[Gurevich] Almost instantly all the discussion stalled around the problem of prices. And here too only one version was offered.

[Petrakov] And it was not new. Two-three years ago it was already mentioned: meat, bread, compensations. At that time it was postponed. Now they have come back to it, taking the same draft, only the tougher version—proceeding from the fact that the situation has worsened considerably. Actually these years were spent by the government apparat not on looking for new approaches to the problem of prices, but on repeating the old one.

[Gurevich] As far as I know, you don't support it.

[Petrakov] I believe that building a market economy cannot be started by raising the prices of staple goods, from any viewpoint, psychological included. A market economy has always been used in our country to scare people: it will be like in the West—poverty and inflation. Today the "ideological fog" is not so dense, but our experience weighs on our mentality. We have only the black market, and now also cooperatives. They offer scarce goods but at exorbitant prices. A stereotype has been shaped: this is what lies in store for us. The government's report is drawn up to back this stereotype. It speaks about the market economy, but the prices lead the way. This is the only concrete evidence we have. The rest, I would say, is like a fiction. It says: yes, there will be shares. But what kind of shares? Only for the workers of the enterprises? Then where is the market? Competition is the soul of the market. On the black and cooperative markets there is no competition, but an overall monopoly which so far we support successfully. On the one hand, the opening of new cooperatives is hindered; on the other, a state enterprise is being closed and instead a cooperative opened. But what is needed is not "instead", but "in addition". The best example for me is Fedorov's first cooperative restaurant in Moscow. Five or six such cafes, and not one, should be opened on Kropotkinskaya Street alone. But we want to preserve the monopoly and, at the same time, keep the prices from soaring.

[Gurevich] But the monopoly will be eternal unless the process of lifting state control, or more simply privatization, starts.

[Petrakov] I have nothing against this world but privatization is understood differently. Some regard it as emergence of non-state property in general, other only as private ownership by one person. Private property must be on an equal footing with other forms, but to refer to the process as a whole, the words "denationalization" and "demonopolization" are more precise.

[Gurevich] I don't want to get bogged down in a dispute about words. This has become our disease: we look for names, although we cannot find products.... But how to start this demonopolization?

[Petrakov] I think that in the next few weeks it is necessary to pass a decision on turning state enterprises into joint-stock companies. Then to set up a committee for disposing of state property: it will value the cost of assets. To arrange the sale of shares so that state agencies, banks, local Soviets, and individuals, including pensioners, can buy them. Of course the workers of enterprises too: their shares can have some privileges attached.

[Gurevich] And foreign companies and banks?

[Petrakov] Certainly. Without making the economy "open" I am sure no effective reform can be carried out. When they are able to buy shares, the endless problems which joint ventures now come across will be solved instantly. If we count on a gain for our country, we must take account of the fact that the market in Eastern Europe is opening up to Western investors, investment of capital will be made there, and not here. It is necessary to overcome dogmas: why can't there be enterprises which are wholly owned by a foreign company? No need to use as a cover popular opinion: already today people are eager to work at joint ventures. Of course, not everything can be opened for foreign investments: there are strategic spheres, defence. But the problem is not the influx of foreign capital but its absence.

[Gurevich] You want to start founding joint-stock companies in the next few weeks. But it will be necessary to work out a complex mechanism. Where will it come from? Who will undertake this task?

[Petrakov] Concrete and detailed plans have been elaborated. They are ready. My fellow economists and I took up this matter. Why is the shares market so important? This will enable people to invest their savings in production, at last, to get property, under conditions of competition and the redistribution of capital. If nobody buys shares, the possibilities for development are limited. That is to say, a distribution of social priorities is going on. Today the priorities are established by officials, departments; but through shares this role is turned over to society. The investment market appears. Today there is a constant battle going on over capital investments: one minster is stronger than the other, even deputies join in, but this is not a market.

[Gurevich] Do you think the shares system will undermine the ministries?

[Petrakov] The time for industrial ministeries has passed. During transition to a market economy they are not only unnecessary but also harmful. An enterprise needs a minister when it cannot buy anything on its own. The ministers must be suicidal to want a real market economy. The government's report says that the ministries will gradually transfer to economic methods. But they are fundamentally opposed to these methods. The state must start today, and not some day in the future, to destroy these monopolies, as well as monopolies like Intourist, Aeroflot and so on. It does not mean that the state will lose all its property. It may have controlling interests at many enterprises. But the approach and methods will change. For example, the French firm Renault belongs to the state but abides by market laws. The council of shareholders will appoint a director. And the State Planning Committee and the State Committee for Material and Technical Supplies will no longer decide what to produce and where to buy supplies. The state received dividends in accordance with its shares and in that sense is highly interested in profitable work. If it starts interfering, the treasury will be empty.

[Gurevich] It is still doubtful that only giant joint-stock companies will transform our economy.

[Petrakov] The state must not merely allow small private businesses but immediately start encouraging them. What Soviet citizen can buy a laundry or a haidresser's? The state must provide tax cuts and easy credit to help business people who have no funds as yet. If a buyer with solid capital comes along no problem again, except one: prove that it has been earned in a legal way... From the top the appearance of big joint-stock companies, and from below small businesses. We are creating conditions for competition. In that case the deregulation of prices by the state (precisely deregulation, because fixing them does not concern the state) is not so terrible.... But in our conditions competition alone is not sufficient. We also need to stabilize the monetary system. It is necessry, and also in the next few weeks, to start a reform of the banking system. To develop a network of commercial banks, to take the Central Bank from under government control, making it accountable only to the Supreme Soviet. Those who spend money cannot be allowed to print it. This is done only by countefeiters: they print money and spend it. We too have got false, defective moeny. Our roubles are like lottery tickets: they all are useless except the few that are lucky enough to buy something by chance.

[Gurevich] According to official estimates, people today have 165 billion such lottery tickets; other sources say—even twice as many. It is clear what kind of inflation stew we are brewing.

[Petrakov] Therefore, I can't understand why the government is avoiding the problem of what must be done with this money. I am against administrative measures against the people's savings: to take them away or freeze them. There are many ways more attractive for the people. To sharply raise interest on time deposits—up to 10-12 per cent. Even in 3-4 years' time interest might be paid, lower but in hard currency, if foreign investments are made. A market must be created where there is none: a market for housing, which will provide vast opportunities if far-fetched restrictions are removed. There is already the President's decree. A market "in second homes": dachas, plots of land. Once we cut back on building industrial facilities, a market for domestic building materials will appear. Land is a more complex matter: private, non- private.... It is feared that speculation in land will start and the mafia will buy it up. But payment for taking land on lease and land ownership tax are additional ways to give people something for their money.

[Gurevich] Maybe we are getting too worked up over talk about speculation? Even in the West there isn't complete freedom of private property in land: on the contrary, there is a very well thought-out legislation. Won't it be better for us to do this rather than to exclude land from the market in advance? One more point: the impression is that with land, housing, and everything, we start reasoning like the Ministry of Finance: how to get as

much as possible. As a result, there is no one to get it from: no buyer. Won't it be better to provide people with flats as their property if not free of charge, then at a price that everybody can afford? Not all people will buy shares. The President said recently: our mentality is absolutely non-market. Certainly, how can the market mentality arise if almost no one has any property? Let the selling price be very low, but in that case all will buy and the total sum will be enough for those who have been deprived of housing.

[Petrakov] I agree with you: this is a cause of serious discussion. In the final analysis, everything is made by people. Besides, it is necessary for them to know what they take to the market, what will it give them.... Today's transition looks as follows: you must pay for all the deformations of the command system. Of course, the people always pay. But a person must at least be sure that this system is falling apart, and a new one, worthy of man, and not a new version of the old one, is being created. But so far, he is counting only losses. Here is a simple example, the letter of a woman pensioner. "I understood," she writes, "that in connection with the rise in prices I shall be paid a compensation of 30 roubles. But the food prices will double. Whom will this compensaiton help? The one who daily spends one rouble on food, but there are hardly any people like this today...." What objections can be raised to what she says? How can we disagree with those who ask: why was nothing said in the government's report about how the deposits of the population will be compensated for if prices are doubled? There are also political realities which must not be disregarded. They wanted to raise the price of bread from July 1, and the 28th CPSU Congress is opening on July 2: did we choose this date on purpose? The market economy cannot be created by raising prices, but the government did what I could not even imagine: it announced the intention to raise prices long before the actual date. This was explained by everything being done nowadays openly, but, as a result, the shops were almost closed: the remnants of goods were bought up, and this is not all. The population began paying at different prices even before the official rise in prices: the other day I went to the Central Market to buy meat and rushed out of there—the price was already 20 roubles for one kg of pork.... It was not accidental that I mentioned political realities. Do you remember, under Andropov a brand of vodka appeared 50 kopeks cheaper than the usual bottle? The point is not that is was an exceptional manifestation of wisdom, and that to win popularity now, one has to roll out barrels full of wine into the streets. But why plan a new rise in the price of alcohol? The sugar market has just calmed down a little, and we shall wreck it again, providing moonshiners with new incentives, not to mention the atmosphere it will create.

[Gurevich] It seems to me that there is some danger that the suggested price rises will undermine the transiton to the market economy. We won't even dare raise the price issue, it's clear that there can be no market with the present prices.

[Petrakov] The parliament has postponed this issue till autumn, as well as the price of bread. They say: let's wait, we shall discuss this later. What shall we discuss? It is necessary that people be gradually introduced to flexible prices, to which they have not been accustomed. If we have to start at all, it must be done with the market of gold and other commodities not affecting the bulk of the people. But gold prices were not put under the control of market conditions, they were raised by 50 percent in the winter, but the queues did not diminish. We also postponed the opening of commercial shops and start with stable goods. Perhaps, people would have preferred another version? The meat which is usually on sale in the shops—frozen, with bones and grissle we leave at a price of 2 roubles. Fresh-killed meat and fillet at free prices. The same with bread: the price kept low on several basic varieties, and some Rizhskiy brand or pastry—at free market prices. The state exercises control over fixed prices, sees to it that the basic products are available, fines enterprises which do not provide them, and pays them subsidies to make it profitable for them. No need to worry about the rest—they will look after themselves. Budgetary subsidies and compensations to the population should be reduced. There could also be a system of free canteens for disabled persons and pensioners, plus some coupons for buying cheap clothes. Such methods of supporting the needy are much more effective than monetary compensations, from all points of view. We want to pay 30 roubles to a woman pensioner and she will give it to her grandson. We think it will go to buy bread but it will be spent on a tape recorder, further distorting demand. Finally, where are they going to get those 135 billion roubles to pay as compensation? This is an outflow of cash: a new enormous mountain of money is thrown into circulation. And the result? Today people stand in line for 2-rouble meat, after the government programme there will be a queue for 5-rouble meat.... The transition to a market economy must not look like a gesture of desperation; we have tried everything and failed, now let's try this too. One can observe some kind of strange combiantion of sluggishness, indecision, haste, and feverishness.

[Gurevich] Then what is the way out?

[Petrakov] Today it is becoming really dangerous to get swamped in arguments. But debates about prices must not block the move to the market econmy. If we want to save bread by raising its price, let's discuss advantages and disadvantages of this, but the transition to the market economy has nothing to do with this. The market structure must be developed today. The package of measures for this is ready. By the end of 1990, it will be possible to transfer 2,200 large enterprises to a joint-stock basis—this is 70 per cent of the fixed assets in industry. What else have we to wait for? The stock exchange must be created parallel to this, and no need to invent a bicycle here: this know-how is available all over the world, it remains only to pay for it. State allocations for industrial projects must be sharply and urgently cut this year. But the builders should not be deprived of jobs;

they must regroup to work on projects which can be quickly completed, because we have far more projects than building workers.

Gosbank Head Claims Changes Needed in Banking

90AA0459A Moscow IZVESTIYA in Russian
26 Jun Morning Edition p 2

[Interview with V.V. Gerashchenko, chairman of the Board of the USSR State Bank, by IZVESTIYA correspondent I. Zhagel; first paragraph is newspaper's introduction; date and place not specified: "The Hand of the Giver Will Remain Generous If Credit Policy Is to Be Implemented Correctly"]

[Text] The lamentable condition of finance, creeping inflation, and the disorganized circulation of currency in our country seriously complicate a transition to a market economy. It is no accident that the government program of reforms recently submitted to the Supreme Soviet pays special attention to these issues. An IZVESTIYA correspondent asked V. Gerashchenko, chairman of the Board of the USSR State Bank [Gosbank] to discuss measures planned in this area in more detail.

[Zhagel] Viktor Vladimirovich, it is paradoxical but it is a fact: For a long time we tried to cure our finances without the participation of the finance and credit system itself. This is why, as I see it, the fact that the reform of banking structures has been made a priority task is the most radical point of the transition to a market economy.

[Gerashchenko] Indeed, the ruble cannot be reinforced solely on the basis of assignments to reduce expenditures and increase revenues, as was previously done in our country. It is time for us to understand that all of this is secondary no matter how lucrative it is to discourse about budget revenues, ways to spend the funds available, and who can do it best.

It is considerably more important to create a budgetary mechanism which would automatically track demand and supply and would compensate for all disruptions. In other words, we need a serious reform of finance and credit relations. They are going to be based on a two-tier bank system.

The USSR State Bank will occupy the upper tier. Its task will be to regulate the money supply in global monetary circulation. The second tier will be represented by all other banks operating on an economically accountable, commercial basis. This is exactly what will make it possible to change our investment policy in principle because it will render impossible the financing of all extravagant projects which do not generate returns. Moreover, the commercial nature of credit will compel not only investing funds in say, the production of consumer goods, but also selecting the most efficient technologies.

[Zhagel] On the whole we appear to be doing everything right. The problem is in details. In the current program as well, one nuance gives rise to concern. Referring to the two-tier system, the government does not specify whether the State Bank will no longer report to it, as is the case in other countries, or whether it plans to go on managing the operations of the central bank directly.

[Gerashchenko] More precisely, it is done differently in different countries. For example in England the central bank reports to the government. However, the common trend in the world is to subordinate it directly to the parliament. A majority of legislators and economists also believe that central banks should be released from their subordination to the government because in difficult situations it is not easy for the latter to resist the temptation to use the issue right of the bank and pump resources into the economy.

[Zhagel] That is, to turn on the printing press?

[Gerashchenko] Let us not reduce everything to printing money. Here in our country the misconception still exists that, supposedly, the number of bills in circulation causes inflationary processes. Let us assume that tomorrow we comprehensively introduce credit cards, but negative phenomena in our economy will not disappear due to this. They are the result of an investment policy which does not take into account our real potential, disperses funds, and multiplies unfinished construction projects. That is funds are committed, some of them are converted into wages, but the volume of the national product does not increase.

[Zhagel] These very actions were characteristic of the administrative-command system. Apparently, taking into account our "traditions," the State Bank should still be protected against direct interference in its affairs?

[Gerashchenko] At any rate we proposed to have the central bank report to the Supreme Soviet rather than the Council of Ministers in the draft Law on the State Bank and the Law on the Banking System of our country prepared by us. My personal opinion is the same and I do not conceal it from anyone.

[Zhagel] Apparently not everyone subscribes to this opinion in the government. At a press conference devoted to the radicalization of the reform, Academician Abalkin stated that he is against removing the State Bank from the jurisdiction of the government.

[Gerashchenko] Well there are different points of view, there are contradictions. They are discussed, and subsequently a decision is made. Time will tell whose arguments were more correct. Ultimately, the issue boils down to one point: What do we want? Do we or do we not want to maintain administrative levers and the opportunity to pump into the economy funds which are not backed up by anything? However, in this matter we should not discount the possibility of the parliament getting involved in similar nonconstructive activities.

Really, look at how particular acts are discussed in the Supreme Soviet. Some deputies try to ensure priority financing for the branch, region, or type of operations which they represent, of course with the best intentions.

[Zhagel] At present, very many acts in the sphere of social policy are adopted....

[Gerashchenko] In the process, it is forgotten that the budget has its limits. That is to say, parliamentary decisions may also stimulate the inflationary process.

[Zhagel] Still, you would agree that inflation caused by the decisions of the Supreme Soviet is controllable and obvious: This is the revenue we take in, and these are our expenditures. We know what we are getting into when we, say, increase retirement benefits. It is another matter altogether when the administrative apparatus, in an effort to make its numbers, compels the banks to invest funds in enterprises operating at a loss and stepping up the production of raw materials every hour of every day. This is the main reason for a decline in the purchasing power of the ruble. In this reference, we are concerned about the government program not outlining with sufficient clarity a time frame for forming the second tier of the banking system.

[Gerashchenko] Actually, this process has been under way for two years now. Over this period of time an entire network of commercial, cooperative, and industry banks has appeared. At present, 310 such establishments are registered. To be sure, their share of the credit underwritten is small for now—about three percent of the total credit underwritten in our country. However, they are the embryos of the new banking system.

[Zhagel] In all honesty, the pace of commercialization of the banking system is not exactly impressive.

[Gerashchenko] The practice of converting existing specialized state banks into joint-stock banks so that various enterprises, associations, and concerns come to own some of their capital, should become the next step. In this case the banks will not only implement the policy of the state but will work in a normal economic environment in which their funds are invested efficiently.

To be sure, at present the capital of these banks is clearly insufficient. It needs to be increased. However, we should keep in mind the fact that our enterprises and organizations have accumulated tremendous resources, and that above-the-norm reserves worth billions of rubles are tied up. Given an appropriate interest rate policy, all of them will be put to use.

[Zhagel] Still, specifically when can we expect the transformation of specialized banks into joint-stock banks, taking into account the fact that we still have not embarked on issuing real shares?

[Gerashchenko] How can we set precise deadlines? For example, we cannot just up and announce a twofold increase in the capital of the Promstroybank [Industrial Construction Bank] and then offer shares to industrial enterprises and associations. This requires the consent of its main shareholder, that is the Ministry of Finance. On the whole the ministry supports this idea, but subsequently the price of shares needs to be determined somehow. It depends on many components—tax rates, interest rates, and so on.

[Zhagel] You have referred to the fact that we already have 310 commercial banks. If we add to them four specialized banks converted to joint-stock ownership, will this number be sufficient for our country? Will competition develop among them so that they will not be able to artificially raise interest rates on their loans? Or let us put it this way: Have you tried to evaluate the future banking structures from the point of view of the antimonopoly legislation which is currently being created?

[Gerashchenko] We should keep in mind the fact that specialized state banks have large chains of branches all over the country. Besides, we should hardly strive for every city to have its own bank. As I see it, the American system of restricting the operation of banks to the confines of states is not suitable for our country. Perhaps the experience of Europe is more relevant for us. The essence of it is that major nationwide banks have a chain of branches inside the country and abroad. That is, banking is concentrated.

[Zhagel] Could individual structural units of the specialized banks be made independent and allowed to operate all over the country? At any rate, such proposals have been made.

[Gerashchenko] I believe that this problem should be solved within the framework of the specialized banks themselves. Besides, there is no ban on setting up a commercial, cooperative bank in a particular region or city. We promptly register them, provided of course that they do not violate existing laws.

[Zhagel] As I see it the government does not necessarily act consistently with regard to the commercial banks. On the one hand it is stated that the future belongs to them, while on the other harsh pressure is brought to bear on them through taxes. A Ministry of Finance letter is known which sets a 60 percent tax rate on the profits of commercial banks. After all, not many of them will be able to survive given this. In this manner the specialized banks—i.e. old, command structures—are being protected.

[Gerashchenko] We may say that at the outset of any endeavor taxes should be preferential. However, I think that the Ministry of Finance has grounds for implementing such a policy. After all, specific actions of particular banks are hardly impressive. Many of them have engaged in usury and have lent money at enormous interest rates. If a bank is involved in good business, tax relief may be granted to it.

[Zhagel] Still, high rates of interest on the loans granted are not necessarily bad. They compel enterprises to use

funds more efficiently, commission facilities faster in order to pay back the debt, and refrain from multiplying unfinished construction projects. The government itself has also increased the interest rate on loans in its program, and quite justifiably so. The rates will increase as the terms of loans get longer. However, these interest rates are fixed which once again makes us doubt that commercial elements will appear in the operation of our banking system in the coming year.

[Gerashchenko] You are right: The rates cannot be fixed for five years or even a year. This element will be flexible. However, in this matter a lot depends on bringing our prices in order.

If we do not introduce changes in the structure of prices we will not be able to use even these rates. Let us look at, for example, the agricultural sector—it is not in a position to pay this kind of interest. In general it is impossible to implement a correct credit policy, as well as to create a market economy, without realistic prices.

[Zhagel] As the government program says, the increase of interest rates on loans will be accompanied by a simultaneous increase of interest on the deposit accounts of the enterprises and the populace, that is, more is going to be paid for keeping one's money in the banks.

[Gerashchenko] Indeed, this is an important component of the new finance and credit policy. What will it accomplish? First of all it will encourage a reduction of the above-the-norm reserves of which the enterprises have now accumulated 550 billion rubles worth. Many of them will try to shed these "deposits of fat." First, in this case the enterprises are going to pay a lower rate for loans received to purchase above-the-norm reserves. Second, higher interest will be paid on spare funds deposited in the bank.

This measure will also tie up some of the funds which the citizens have on hand. It will be advantageous for them to keep their money in the savings banks.

[Zhagel] However, the rate of interest on deposits is also fixed. Some economists are saying that the real rate of inflation already exceeds the rate of interest indicated in the program. I believe that the population would have more confidence if a mechanism of some kind were outlined there which would track inflation rather than just fixed rates.

[Gerashchenko] As far as the real rate of inflation is concerned there are arguments about it. As is known the State Committee for Statistics put inflation in 1989 at 7.5 percent. Some institutes give different numbers. This is why we will abandon these strictly regulated interest rates in the future, but we've got to start somewhere.

[Zhagel] Still, how soon can we expect the issuance of real shares to begin?

[Gerashchenko] It would be good for IZVESTIYA to conduct a survey of how soon the populace is prepared to purchase enterprise shares. What is better and easier for the populace: to keep their money in a savings bank, buy three percent premium bonds, treasury bonds bearing five percent interest, or acquire the shares of say the "Hammer and Sickle" Plant which promises to pay eight percent? I believe that an overwhelming majority of the population of our country is not ready to purchase shares.

Let us not forget that even in the United States most people own shares through participating in retirement, insurance, and health care funds. We need a certain evolution of views, certain psychological preparation all the more.

This is why I would like to stress that time is necessary for certain things. There is no escaping it, no matter how much we want to switch to the market overnight. Naturally, the proposals which have been submitted for consideration by the public and the Supreme Soviet could be made more specific. However, as I see it, this program is optimal.

Voronin, Abalkin Meet With Economic Leaders

PM0307092590 Moscow IZVESTIYA in Russian 1 Jul 90 Morning Edition p 3

[Report: "Together With the Public"]

[Text] The Soviet Government has deemed it expedient for associations, unions, and other all-Union social organizations active in the sphere of economic activity and reflecting the interests of citizens and labor collectives to actively participate in the USSR Council of Ministers' work.

L.A. Voronin, first deputy chairman of the USSR Council of Ministers, and L.I. Abalkin, deputy chairman of the USSR Council of Ministers, met 29 June with the leaders of the Scientific and Industrial Union, the Peasants Union, the Association of State Enterprises, the Leaseholders and Entrepreneurs Union, the United Cooperatives Union, the Association of Young Leaders, the Association of Joint Enterprises, and the All-Union Economic Society. Possible forms of participation by these organizations in the government's work aimed at implementing the decisions of the USSR Supreme Soviet to switch to a market economy were discussed. The conference participants deemed the government's steps to involve social organizations in this work to be timely and useful.

During the discussion proposals were made on resolving a number of issues connected with improving all the work on switching to market relations. Ideas were expressed in connection with the attempts by certain local organs to infringe enterprises' rights. Attention was drawn to the need to actively prepare cadres for work under market conditions. A number of speeches pointed to the clearly inadequate standard of explanatory work among the population on the main issues of switching to a market economy.

Moscow's Food Procurement Problems Weighed

904D160A Moscow VECHERNYAYA MOSKVA in Russian 15 Jun 90 p 2

[Report on interview with O. Virichev, chief of the Main Moscow Fruit and Vegetable Industry, by G. Svetlova; date and place not specified: "Minus 350 Million"]

[Text] Contract prices in the purchases of fruit and vegetable products were introduced officially at the beginning of the year. Unquestionably this is a good sign: The command-administrative system, which for many years paralyzed any kind of enterprise and independence in trade, has finally collapsed. On the other hand there is an inevitable rise in prices at the vegetable counter. How are prices to be balanced and made reasonable and affordable in the period of transition to the market economy? An interview on this was held by our correspondent with O.A. Virichev, the chief of Glavmosplodoovoshchprom [Main Moscow Fruit and Vegetable Industry].

"As early as last year, and as an experiment, fruit and vegetable associations began to make purchases according to contractual prices," Oleg Afanasyevich said. "And prices at state stores remained at the previous level. As a result, the difference between purchase and retail prices amounted to the round sum of 100 million rubles [R] which was paid from the city budget."

"This year the situation threatens to turn into incomparably large expenditures of state resources. To date we have signed contracts on supplies: potatoes to 90 percent, vegetables and greens from Moscow Oblast farms to 100 percent, melons and tomatoes to 90 percent, but fruit and grapes all told only to 63 percent. In the event that the entire product is sold according to retail prices currently in effect, trade enterprises will need reimbursement on the order of R350 million. On the whole, according to preliminary calculations, the impending supply campaign will cost the city R676 million."

[Svetlova] How is the work with suppliers going under the new conditions?

[Virichev] The situation that has set in with the supplies of berries and stone fruit crops is particularly depressing. First, the volumes are inadequate, and second, purchase prices have become a stumbling block. For example, individual suppliers are offering grapes at 2 rubles 50 kopeks per kilogram, and this means that the retail price must be set within a range of from 3 rubles to 3 rubles 50 odd kopeks. Is this acceptable? I think not.

With the introduction of contractual prices by councils of ministers of many republics, decisions were made about definite limitations on wholesale prices; however, prices have already increased two to three times and they continue to creep upward. But in some republics decrees were passed about prohibiting the export of fruit and vegetable products. As you see, the situation is serious. But is there a way out of it? An alternative was suggested in a recent trip to Turkmenia and Tajikistan where I was able to meet with the managers of many farms. They are ready to deliver vegetables and fruit, but on condition that Muscovites give them an opportunity to acquire industrial commodities.

[Svetlova] And what is it that interests our suppliers?

[Virichev] There was talk about the deliveries of "Moskvich" passenger cars, washing machines, television sets, engine lathes, and also motor vehicles and refrigerators of the "ZIL" brand. I foresee a reaction of some people: They say, we do not have enough for ourselves and here we are squandering short-supply commodities elsewhere. But how can it be otherwise? For the time being I see one way out—establish a general city fund of industrial commodities that will be used for "natural barter" with suppliers.

[Svetlova] Do Moscow organizations have a similar experience?

[Virichev] No, we have lagged in this matter, although some oblasts of the Russian Federation have such experience. We all supposed that the suppliers will observe contract discipline. Now the partners are putting forth various requirements that are blocking the delivery of fruit and vegetables to the capital. Uzbekistan and Tajikistan are now offering plums, peaches, sweet cherries, apricots, and grapes at prices that are five times higher than previous prices!

[Svetlova] Oleg Afanasyevich, you are citing such grandiose sums that will be required for the trade workers for payment of suppliers. But statistical data were recently published in the press on losses of 353,000 tons of fruit and vegetable products in storage, which would be enough for 69 days of trade. Who will pay this time for the part of the harvest that was lost?

[Virichev] The collectives of the fruit and vegetable associations from their own cost accounting profits. And nevertheless, last year, which you talked about, we were able to reduce the amount of losses of fruit and vegetable products in storage: The amount of waste was 10,000 tons less than in the previous year. Losses from the decrease in quality of fruit and vegetable products in storage were reduced last year by R2 million, and unplanned losses were also cut by R2.7 million—this is various penalty sanctions, untimely account settlement with suppliers, and transportation costs. However, instead of the R11.7 million rubles of planned profit we sustained...R4.5 million in losses. The reason? I have already talked about this: As long as "scissors" exist between purchase and retail prices, and as long as trade incurs losses, our branch will incur damage.

There has been a wider dissemination this year of experience in the material stimulation of collectives of fruit and vegetable associations for better storage of products. There are now eight vegetable bases where bonuses are paid. Gradually a promising method is being introduced for unloading potatoes that are hauled in from farms in specially equipped gondola cars. While

previously products stood on spur lines for several days waiting to be unloaded, now it takes only 10 to 15 minutes to unload a train! Last year the method was tried at the Krasnopresnenskaya, Moskvoretskaya, and Kirovskaya vegetable bases and, during this transport campaign, the method will be employed at another five bases.

[Svetlova] An advertisement was recently published in our newspaper's "Advertising Supplement" that the newly created self-supporting association "Gaia" invites consumers to visit their stores. Have any fundamental changes occurred in the apparatus?

[Virichev] Glavmosplodoovoshchprom will be transformed from a command-administrative organ into an economically accountable association which will be named after the goddess of the earth—Gaia—symbolizing fertility. The staff of the central administration will be cut by a factor of two, and we are fully removing the control functions from ourselves. During the transition to market relationships, I think, it is difficult to overestimate the role of such an association. We are faced with three tasks: first, to provide mediation assistance to rayon fruit and vegetable associations in work with suppliers, and in finding resources throughout the country. It is possible that "Gaia" will assume responsibility for the distribution of industrial commodities among the suppliers and encourage those who send better products. Second, the association will carry out operations in the material-technical supply of fruit and vegetable associations. And third, it will conduct purchases of new equipment and organize technical maintenance in order not to dissipate the forces of the engineer-technical services of rayon associations.

[Svetlova] Tell me, at whose expense will the reduction in the workers of the central administration be made?

[Virichev] At the expense of certain administrations who today are engaged in monitoring the activity of fruit and vegetable associations, but specifically in the storage of products. The storage administration will be eliminated in the near future. The administration of trade and the administration of transport, apparently, will have to be united—the functions of monitoring local trade will be carried out by rayon organizations—state organizational inspection, city quality inspection, and people's control—luckily, we have many of them. In short, there are enough control organs and we will assist the fruit and vegetable associations.

Finally, here is something I would like to say. Your newspaper wrote about the fact that many farms in Moscow Oblast are now refusing to plant cabbage earmarked for the city. They say that there are not enough workers. Muscovites must realize the importance of trips into the oblast for cabbage planting. The future crop depends only on ourselves.

Aircraft Industry Conversion Issues Viewed

LD0407215190 Moscow TASS in English 2024 GMT 4 Jul 90

[By TASS correspondent Yuriy Kozmin]

[Text] Moscow July 5 TASS—Conversion in the Soviet aircraft industry should be aimed at the increased production of civil aircraft, specialists of the aircraft industry ministry believe.

Together with economists from the ministry's scientific and research institute of economics, they are currently developing a programme of military conversion in the branch. They believe international cooperation, joint aircraft production with the world's leading firms could be of help here.

"Insufficient scientific justification for a reduction in the production of combat equipment resulted in cuts of allocations for scientific research in aircraft building by 25 per cent," ministry department head Aleksandr Batkov told TASS.

"At the same time, plans for the production of consumer goods, uncommon for the ministry, have been considerably raised. It should be noted that the United States and other NATO countries are developing a new generation of aircraft, such as B-2 stealth, tactical F-177 'invisible' aircraft.

"In these conditions, the Soviet Union should continue to develop combat equipment and, even during military conversion, ensure its priority in promising scientific developments in the field," Batkov said.

The Soviet aircraft industry has up-to-date technologies and large scientific reserves to create new types of aircraft equipment, Batkov said.

This was confirmed by the success of new type passenger aircraft Il-96-300 and Tu-204 with low fuel consumption, Tu-334 aircraft for local lines, Tu-155 aircraft using gas fuel and helicopters for various purposes, displayed at the recent international aircraft exhibitions.

The ministry's design bureaus receive many interesting proposals on cooperation from foreign firms and companies, Batkov said.

Combine Operations Suffer Scrap Metal Shortage

PM0307100790 Moscow Television Service in Russian 1400 GMT 29 Jun 90

[From the "Vremya" newscast: Reportage by S. Sergeyev, G. Kononov, identified by caption]

[Text] [Announcer] Judging by recent radio and television broadcasts and newspaper articles, many enterprises are experiencing an acute shortage of scrap metal. Despite government resolutions issued in 1981 and 1985 aimed at providing incentives to improve and augment the supply of this raw material, scrap metal, like other

secondary resources, is not being properly managed. Recently the Council of Ministers adopted another resolution intended to establish order in this sphere.

However, we have just received an alarm signal. The Magnitogorsk Metallurgical Combine is about to grind to a halt. And once again the reason is lack of scrap metal. Our team was dispatched to the enterprise to report on the situation.

[Correspondent] [video shows various scenes at plant] The "Magnitka" [Magnitogorsk Metallurgical Combine] is the world's biggest producer of pig iron, steel, and rolled metal. The "Magnitka" open-hearth furnaces need 24,000 tonnes of scrap metal per day. Reserves of scrap metal should total 300,000 tonnes to avoid stoppages during the fall and winter period. However, the scrap metal yards are as clear as a bowling alley. Metal workers are forced to lead a hand-to-mouth existence, so to speak.

[Yu.A. Kondratyev, deputy chief of the Magnitogorsk Metallurgical Combine Material and Technical Supply Administration, identified by caption] Four open-hearth furnaces have had to be shut down because of the shortage of scrap metal. The shortfall in steel production totals 20,000 tonnes.

Workers have given up waiting for scrap metal deliveries. Because of loss of wages they are resigning. More than 70 people have already left.

A major oxygen converter shop is to be commissioned which will need 1.5 tonnes of metal scrap per day.

[Correspondent] What has happened to all that scrap metal? After all, in the past there used to be more than enough.

[Yu.A. Bormenkov, deputy director of the Chelyabinsk "Vtorchermet" (secondary ferrous metal) association, identified by caption] The problem is that nowadays it is more advantageous for enterprises to bury scrap metal than to collect it. If they do collect it, they ship it abroad.

The USSR Council of Ministers discussed the question of incentives to encourage collection and delivery of scrap metal in February of the current year. A resolution was adopted. But it was a half-hearted, half-baked resolution. And the adoption of two recent laws—the law on the socialist enterprise and the law on ownership—have rendered this resolution essentially ineffective.

[Newscaster] So this is the situation as regards scrap metal, and, incidentally, it does not apply to scrap metal alone.

Comrade Bormenkov is suggesting that a law on secondary resources be drawn up so that enterprises can function. But that would mean adopting an unending number of laws since there are shortages in our country wherever you look. And then, who knows whether this would work? I am not convinced. After all, there can be no doubt about the fact that a mechanism to ensure the enforcement of laws, existing laws, in our country is lacking.

You will agree that our shaky economy cannot be put right by partial laws, no matter how well-intentioned they are. If it is advantageous for people to bury scrap metal, they will bury it, if it is advantageous for them to sell it, they will sell it.

In the past we used to rely on Central Committee and Council of Ministers resolutions. Today we are pinning our hopes on new laws. The result, as you can see, is the same.

All-Union Economic Seminar Begins 3 July

LD0307220190 Moscow TASS in English 1947 GMT 3 Jul 90

[By TASS special correspondent Yuriy Stepanov]

[Text] Moscow July 3 TASS—"Radical economic reform: theoretical and political economy aspects, some results and tasks" is the subject of an all-Union seminar that opened here today.

The seminar, which has been arranged for top-echelon managerial personnel of enterprises, organisations and institutions, is being attended by about 700 general directors, chief economists and engineers from all regions and districts of Russia, the Ukraine and Belorussia.

The most urgent problems of the present-day development of the Soviet economy will be discussed at the seminar. These include the functioning of the work collectives under in the light of the operation of the laws on the socialist enterprise and cooperatives, the place and role of centralised planning in a regulated market economy, the present-day state of the Soviet economy and ways to get it out of the crisis.

An all-Union market, the establishment of which has been launched in the country, will be the factor which will replace administrative management methods, Oleg Yun, executive secretary of the USSR Economic Council, pointed out in his opening remarks.

He emphasised in particular that the economies of all-Union republics are heavily interrelated and this interrelationship can no longer be maintained administratively.

During the seminar, round-table meetings will be organised, with participants to be able to ask questions about problems of reshaping organisational patterns of management, the principles of management, and the refinement of credit-and-settlement relationships between banks and enterprises and organisations in self-financing conditions.

Reports will be delivered by Leonid Abalkin, deputy chairman of the USSR Council of Ministers, Vyacheslav Senchagov, chairman of the USSR State Committee for Price Formation, Valentin Pavlov, USSR minister of finance, Viktor Gerashchenko, chairman of the board of the State Bank of the USSR, and by other prominent Soviet economists. A special seminar will deal with ways to organise foreign economic activities at enterprises.

The all-Union seminar will continue until July 7. It has been organised by the State Committee for Labor and Social Issues, the All-Union Znaniye (Knowledge) Society, the All-Union Self-Supporting Economic Education Methodological Centre and the Intertraining Association.

Scientific

'Mir' Cosmonauts Conduct Semiconductor Experiment

LD0407085690 Moscow TASS in English 0807 GMT 4 Jul 90

[Text] Moscow July 4 TASS—TASS correspondent reports from Mission Control Centre:

Soviet cosmonauts Anatoliy Solovyev and Aleksandr Balandin during their space flight earlier this week performed geophysical survey and space materials studies.

Using Priroda-5 photography complex and videospectrometric equipment installed on a platform of the Kvant-2 module, they photographed land and areas of the world ocean. The cosmonauts also conducted experiements to evaluate the ecological state of water basins in the southern Soviet Union. The technological process to grow a monochrystal of zinc oxide that was conducted for 160 hours in Krater-B unit has been completed.

Under the programme of the flight of the Mir space station the crew today separated the Soyuz TM-9 transport ship from the astrophysical module Kvant and linked it to the station's docking section.

The spacecraft separated at 0208 Moscow time [2208 GMT 3 July]. The cosmonauts used manual controls to manoeuvre in orbit, flying around the space station, docking and link-up. The Soyuz TM- 9 spaceship was in autonomous flight for 26 minutes.

An eleven-day experiment to grow a monochrystal of a semi-conductor will be started in the Krater-B plant in the evening.

The flight of the manned complex proceeds normally. The cosmonauts are in good health.

Comsonauts To Be Replaced 1 Aug

LD0407075490 Moscow Domestic Service in Russian 0600 GMT 4 Jul 90

[Text] Last night [segodnya nochyu], cosmonauts Anatoliy Solovyev and Aleksandr Balandin carried out the redocking of the Soyuz-TM9 transport ship. The crew of the Mir complex is resting now until 1500 and the docking port on the Kvant module is ready to receive their replacement, the seventh main expedition. I remind you that it is to blast off on 1 August.

Military

General Makashov's 'War of Words' Criticized

PM0307174390 Moscow IZVESTIYA in Russian 4 Jul 90 Morning Edition p 6

[V. Malukhin article under the "Response" rubric: "He Fought and Will Continue To Fight?"]

[Text] Colonel General Albert Makashov has already become famous in battles at various microphones.

At the Third USSR People's Deputies Congress he suggested that the country's president should take a three-month military training course to broaden his horizons.

His next step was at the Russian Communist Party Constituent Congress, where the general accused the government of pandering to the persecutors of the Army and warned categorically that "the people may stone the traitors."

The public viewed that speech as overt pressure on the political leadership and a challenge to the lawfully elected people's power. It is true that under pluralism there should be no exceptions and a military man is entitled to his views as much as anyone else. But the law and the will of the people must be higher than those views for him. The question of how far Albert Mikhaylovich Makashov's stance is constitutionally compatible with his post as commander of the Volga-Urals Military District was raised in an item in IZVESTIYA [1].

But Gen Makashov's "war of words" did not end there.

Issue No. 20 of the weekly SYN OTECHESTVA—a supplement to KRASNAYA ZVEZDA—on 29 June published an extensive interview with him under the highly aggressive headline "I Have Fought and Will Continue To Fight." Here he decided to set out his views on the processes of perestroyka in the broadest context. Here is an extract from that dialogue.

[SYN OTECHESTVA] "In issue No. 20, an IZVESTIYA correspondent stated that after what you said at the congress it is time for you to retire."

[A. Makashov] "I would agree to retire on just one condition: If the entire 'gutter' press went with me, all those who have risen on the wave of the present total

license and have obtained titles and degrees and comfortable chairs in magnificently equipped offices but who haven't done a single thing for the good of the state."

"Gutter" press, clearly, should be taken to mean "glasnost," and the "present total license" means democratic processes. Those who have "risen and obtained" may be presumed to mean the radically renewed corps of deputies. The bad sons of the Fatherland who "haven't done a single thing for the good of the state" may include anyone at all, except for the general himself of course. So he did not call the new thinking "weak-mindedness," nor did he oppose disarmament, the deideologization of the Army, the staffing of the Armed Forces on a professional basis.... He remains loyal to that line now, too, issuing a highly significant warning in his SYN OTECHESTVA interview: "Army communists are a great force.... And the leadership of the country and party has no right to ignore that."

Is Gen. Makashov alone in his views and assessments? This may be judged with a varying degree of certainty. In his latest interview to an INTERFAX correspondent which he gave as a delegate to the 28th CPSU Congress, the general stated: "I am convinced that my views are shared by a significant section of the officer corps of the country's Armed Forces apart from those who serve in the 'Arbat military district'." It should be explained that the Arbat is the location of the Defense Ministry and the working premises of the USSR Supreme Soviet where there are quite a few radically minded officer deputies. And since, judging by the general's statement, the "Arbat military district" is no ally of the Volga-Urals Military District, A. Makashov gives an instruction to political organs via SYN OTECHESTVA: "As for the Main Political Directorate, I believe that it should be more militant and not only appeal to communists to 'leave the trenches' but go onto the attack itself."

Surely the time has come?

It has.

Indeed, the time has come to stop disputing his fellow citizens' democratic choice. Time to stop viewing their difficult life in terms of the military-industrial complex's interests. Time to stop seeing civilian society as a peripheral parade ground. Time, finally, for the commander to stop competing with the constitutional power. And indeed time during these days of peace to "leave the trenches" of the native land.

When Gen. Makashov declares that he will leave only if perestroyka goes along with him, it seems to me that he is still overestimating the role of the individual in history.

Footnotes

1. "The Target of General Makashov's Claims," issue No. 172, 1990.

Leaders Sign Letter Concerning Army Problems

PM0407131190 Moscow KOMSOMOLSKAYA PRAVDA in Russian 4 Jul 90 p 2

[Letter from politicians, military, and scientists: "Army Needs Protection. From Whom? Politicians, Military, and Scientists Voice Their View in Letter to the Country's Leadership"]

[Text] Only deep concern for the fate of the fatherland and nothing else is obliging us to send this letter. It is a case of the very important sphere of state life that is the country's security. Today it is becoming clear to everyone that under the influence of perestroyka, especially in the field of foreign policy, military confrontation has been substantially reduced and the threat to the USSR's interests from yesterday's "potential foes" is receding into the past. The radical changes that have taken place in the international arena cannot fail to please Soviet people or to give them a sense of stability and confidence in the preservation and consolidation of peace.

Meanwhile the persistent processes of the militarization of the economy and the politicization and ideologization of the Armed Forces and the internal crisis which has gripped all spheres of the life of the Army and Navy cannot fail to generate fears among the country's democratic forces. These and other adverse elements generated by the era of stagnation are retained today by virtue of the fact that the military-bureaucratic ruling clique sometimes unconsciously, but more often deliberately, is delaying the process of the radical renewal of the Armed Forces and entire defense sphere.

As a result, problems of the servicemen's social and legal protection have emerged sharply. Now 280,000 families who have something to do with the Armed Forces are acutely in need of improved housing conditions. To the army of homeless which includes over 180,000 families of officers and ensigns, there will soon be added over 100,000 more families of servicemen when units return to USSR territory from East Europe. The military leadership's blocking of democratic processes in the Army and Navy is leading to the violation of the personnel's constitutional rights. Total favoritism, which has taken deep root in the Army and Navy, does away with career advancement prospects for most officers. All this results in general disillusionment with the military profession and a reduction in interest in service. Thus, whereas in 1975 some 78 percent of soldiers and sergeants displayed great interest in service, in 1990 the figure was only 12 percent, and among young men of predraft age only 23 percent. Instead of the effective solution of the difficulties that have arisen, the military-political leadership is using them for speculative purposes to rouse dissatisfaction in perestroyka processes among the junior and medium-ranking officer corps. In addition the Defense Ministry leaders' shifting of responsibility for solving the housing and other problems onto the local soviets, which have no real possibility to resolve them, is leading to

further aggravation of contradictions between the Army and society and the deepening of the crisis of the Armed Forces.

Today, when the bulk of the military budget is divided between the ministries of the military-industrial complex, the defense expenditure of the republics, local soviets, and enterprises are not reimbursed and are not included in the Defense Ministry's direct expenditure while the burden of military expenditure is not subject to precise calculation (70, 120, 150, 200 billion rubles [R]...) and consequently not to sensible regulation by the state. This enables the military-industrial complex to continue to throw its weight around uncontrolled and to dictate its will to the Army in deliveries of expensive equipment and weapons of poor combat efficiency. As a result, mountains of weapons exceeding all measure and therefore subject to reduction have been accumulated on the one hand while on the other there is a shortage of funds for social programs.

The situation that has taken shape in relations within the Army causes us acute anxiety. How could it happen that in peace time in the past four years alone 15,000 men have died in the Army—as many as we lost in Afghanistan in 10 years?

Surely no one can be left indifferent by the church services for the dead, those who fell not on the battlefield but as a result of accidents, fighting, and acts of violence and taunts which have become almost the daily rule of Army and Navy life. The mounting social and psychological tension in the military collectives, when "compulsory military service" puts under arms both the sick and former criminals, is borne out by the fact that every fifth dead man dies by suicide.

We should like with great concern to draw attention to the fact that the repeated use of the Army for unconstitutional purposes raises the serious question of "who will it be with?" in the event of new collisions in society. Where will it be led by the generals who treasure their privileges and power unrestricted by law? After all, the moving of the top brass to the Russian party congress alone cost the state nearly R1 million and for the construction of 18 private residences for them—each with a total area of 400-1,500 square meters—the average expenditure was R210,000 with an authorized cost of R40,000-45,000, which is nearly five times more than the sum set by the government.

We could cite other facts relating to dachas that have already become obvious and been made public in the press. But despite that, to this day not a single representative of the top military elite has been brought to book in any way although there are more than sufficient grounds for it. Something else is also indicative: In response to requests to hand over their dachas to children's and medical institutions which are in a sorry plight, the big military leaders Yazov, Moiseyev, Kochetov, Arkhipov, and others keep quiet.

You ask whether they can serve as a moral example to those who are being urged to fulfill their military duty to the motherland selflessly and honestly.

The uncertainty of the answer to the question "who will the Army be with?" which is causing a certain tension in society is determined by the retention of the former mechanism of leadership and management of the Armed Forces, despite certain outward changes, and by the lack of real control by the USSR Supreme Soviet.

Under these conditions we cannot discount the possibility of the adverse development of events fraught with the danger of serious losses to the country's democratic forces. Seeking to avoid responsibility for the crisis in the Army and to retain its previous position, the military-bureaucratic elite is forming a bloc with the conservative forces. The myth of so-called anti-Army sentiments is being strenuously foisted on society. Here the "angle of attack" is chosen against precisely those mass media whose "sins" consist in the truthful coverage of the crisis phenomena occurring in the Armed Forces. Moreover, some generals are urging the Army to "call the press strictly to account" and to "hurl stones at the traitors," and are making unjustified and crude attacks against scientists who prove the reality of the reduction of the foreign military threat.

Signs of the alliance that has emerged between the military bureaucracy and the country's conservative forces were graphically manifested at the RSFSR [Russian Soviet Federated Socialist Republic] Congress of People's Deputies and in particular at the Constituent Congress of the Russian Communist Party. As is well known, the speech delivered by Colonel General Makashov was the expression of these antiperestroyka sentiments, after which the country's progressive public was left with the feeling that a dictatorship is knocking at our door.

Evidence of the merger between the conservative military forces and antiperestroyka elements is the activation of some newspapers which have published highly dubious ideas about the special exclusivity of the officer corps in society and the need to create a kind of special military party and so forth.

Going halfway to meet the reactionary section of the party apparatus, the military party autocracy is striving with all its might to retain its position in the Army and Navy and is zealously opposing any attempts to withdraw the Armed Forces from party control. It is not hard to see where this could lead under the conditions of a real multiparty system in our country.

Nor can we fail to see that, in attempting to retain the Army's "halo" of inviolability come what may, the military bureaucracy is creating its own structures in television, radio, and the press, imparting to them the functions of correcting military-political information—functions that are to the bureaucracy's advantage.

The conservative thinking of the top military leadership was also graphically revealed in the initial obstinate rejection of in-depth military reform. But even after agreeing to the need for this reform, it is trying to replace the radical renewal of the Armed Forces and the entire defense sphere with individual measures and "cosmetic measures." At the same time it rejects officers' most progressive views of this problem. Troops commanders and political workers have been strictly instructed to send their proposals for military reform only to the Defense Ministry and nowhere else. Instead of the broad discussion of the draft concept for military reform elaborated by officers who are USSR deputies in conjunction with scientists from the country's leading institutes, attempts have been made to sink this draft while the draft's initiators themselves have been persecuted. The leadership of the military department has not reacted in any way to the deputies' question on this subject or to press items.

These are dangerous processes. They must be noted and due importance must be attached to them.

We see the way out of the situation that has taken shape in the immediate preparation and implementation of an in-depth military reform within the framework of the creation of a system of nationwide security, in the gradual transition to a professional volunteer army with a smaller numerical strength, and in the pooling of all democratic forces in the implementation of these ideas.

At the same time the situation already requires that priority measures be taken. The most important of them in our view are:

—the pooling of the military budget in the hand of the Defense Ministry under the control of the USSR Supreme Soviet and the redistribution as early as this year of at least R500 million from purchases of military equipment to the implementation of a program of amenities for those released into the reserve;

—the preparation and discussion in the USSR Supreme Soviet and in the Union and autonomous republics of a real conversion program in close connection with the economic reform being implemented;

—the exclusion of the activity of any political parties in the Army and other structures of state power safeguarding the security and stability of society;

—the renewal of the staff of the leadership of the USSR Defense Ministry and the USSR Supreme Soviet Committee for Questions of Defense and State Security with a view to recruiting to these organs power people who are really interested in implementing military reform in the USSR;

—the cessation of the Armed Forces' execution of functions that are not its own within the country.

We are convinced that the implementation of these measures will promote the easing of the mounting tension in the Army and in society, will help the cause of the defense of perestroyka in these complex times, and will strengthen the country's real security.

[Signed] Members of the USSR Supreme Soviet Presidium:
Yu. Ryzhov, V. Tetenov, P. Shetko;

USSR People's Deputies:
G. Arbatov, Yu. Blokhin, V. Bulatov, A. Demin, V. Yerokhin, T. Zaslavskaya, V. Zolotukhin, G. Komarov, Yu. Levykin, V. Lopatin, V. Minin, A. Nazarenko, V. Semenov, V. Simvolokov, V. Smirnov, S. Sulakshin, A. Uvarov, V. Finogenov, K. Kharchenko, A. Tsalko, N. Chentsov, N. Engver, V. Yakushkin;

RSFSR People's Deputies:
Ye. Ambartsumov, V. Lysenko, S. Yushenkov;

Delegates to the 28th CPSU Congress:
A. Godunov, A. Yegortsev, A. Zabolotskiy, D. Karaulov, A. Kazakov, L. Kozak, Ye. Nikitin, V. Simonov;

Scientists:
S. Arutyunov, I. Bestuzhev-Lada, Yu. Deryugin, I. Kon, N. Lapin, Yu. Levada, S. Rogov, V. Shostakovskiy, V. Yadov;

Chairman of the Committee of Soldiers' Mothers:
M. Kirbasova.

Army To Omit Marxist-Leninist Training Course

LD0507085190 Moscow Domestic Service in Russian 0600 GMT 5 Jul 90

[Text] During the second half of this year an experiment will be started on changing the program of combat and political training in the Soviet Armed Forces, more precisely in a number of regiments and divisions. Instead of the course in Marxist-Leninist training, which was often reduced to a mere reciting of the political postulates, a series of courses on practical problems of the officers' work will be introduced. Another course—and this is a completely new area—is devoted to the development of an officer's general culture, his abilities to establish good relations in a multi-national collective, and his own good conduct. The third course is the study of the history and traditions of the Russian and the Soviet Army beginning from the times of Aleksandr Nevskiy and Dmitriy Donskov.

New Aviation Magazine To Be Published

LD0307091190 Moscow TASS in English 0903 GMT 3 Jul 90

[By TASS correspondent Yuriy Kozmin]

[Text] Moscow July 3 TASS—The new SAMOLET scientific and popular magazine will help readers assess the prospects of aviation for the 21st century, open up scarcely known pages of history, and report recent developments by Soviet and foreign designers.

The magazine will be pulished by the Soviet Union of Aircraft Builders and the NOVOSTI press agency with the participation of the International Fund to Support U.S. Aviation, TASS was told at the press centre of the Soviet Ministry of the Aircraft Industry.

"The first advertising issue will appear in the end of July. Later, it will be published in Russian and in English," magazine editor-in-chief Lev Yasnpolskiy, who is also director of the ministry's press centre, told TASS.

"The issue carries articles devoted to the history of aviation and the best aircraft of World War II. Forthcoming issues will cover the work of Soviet and foreign scientific laboratories and design bureaus and aviation enterprises. We are planning to familiarize readers with new scientific ideas, original technical designs, and progressive technologies.

"The magazine will report on achievements in space exploration, amateur inventions, aviation sports, records and new literature on aviation. The magazine is well illustrated. We will also advertise the best Soviet and foreign aviation equipment, the products of enterprises of the aircaft industry, navigation equipment and motors."

Yasnopolskiy believes the magazine will be interesting for specialists working in various spheres of aviation and Soviet and foreign readers.

Baltic Republics

Reportage on Negotiations Over Talks With Moscow

Decision Made on Talks

LD0507125590 Vilnius Domestic Service in Lithuanian 0900 GMT 5 Jul 90

[Report from the Lithuanian Supreme Council plenary session in Vilnius by correspndent Janina Macelicaite; from the "Lithuania Today" program presented by Guoda Salciute]

[Text] [Salciute] Today the Republic of Lithuania Supreme Council plenary session began at 1000 [0700 GMT]. Here is my colleague Janina Macelicaite with a report from the session:

[Macelicaite] To read the titles of documents which are to be discussed today would take me a couple of minutes. These are: Draft Laws on State Enterprise, State Price Control, Tax on Land, and Draft Law on Service for the Republic's Protection. Three draft laws will be presented by the Health Care and Social Security Commission. These will concern changes in payment of supplementary benefits to women looking after their young babies, benefits to the physically hanicapped, and annual holidays to workers and office workers. The parliament will probably confirm today that all workers are entitled to 24 working days of annual leave.

And now about the most important document, the discussion of which began at yesterday's session. This is the decision concerning the preparation for interstate negotiations with the Soviet Union. Today, the discussion was resumed starting with the issue: Who will conduct the negotiations?

According to the point of view of Prime Miniser K. Prunskiene who was taking part in the work of the session, if the decision includes a statement which says that the Supreme Council is in charge of conducting the negotiations, then proceeding from this, the negotating partner is also adequately orientated. The prime minister asked the deputies: Do we really want Anatoly Lukyanov to conduct the negotiations on the Soviet Union side?

Vytautas Landbsergis, chairman of the Supreme Council, explained that there is no need for conflict. In general, everything in this republic is governed by the Supreme Council which is a constitutional matter, and if this regulation is written down in the decision, it should not be regarded as a challenge to the government.

After an hour of debate the deputies resolved the argument by voting on it. With 64 voting in favor, and 29 against, and 12 abstentions, decisions on the preparation for negotiations with the Soviet Union was adopted. It says: While expressing the nation's sovereign will to aspire towards the unrestricted functioning of all powers and institutions of a democratic and independent state, the reinstatement of which is underway, and at the same time being convinced that the chosen path of peaceful sovereign legislation and political negotiations with the Soviet Union would lead to this, as well as attempted to draw the start of negotiations nearer, the following decision was made by the Supreme Council of the Republic of Lithuania.

1. The negotiations on the side of the Republic of Lithuania will be conducted by the republic's Supreme Council. A Diplomatic, Legal, and Political Preparation Commission must be established to prepare for negotiations. The commission must be set up by the Presidium and the government, and confirmed by the Supreme Council.

2. The commission is entrusted with the task of preparing draft principles of mutual relations between the Republic of Lithuania and the Soviet Union. The draft must be presented to the Supreme Council of the present convocation.

3. Parliamentary and government working groups of experts and specialists must be set up by the Political, Diplomatic, and Legal Preparation Commission. The commission must prepare basic political concepts, define the level of competence, and analyze the content and the results of the negotiations with the Soviet Union.

4. When the aims and conditions for the negotiations between the Republic of Lithuania and the Soviet Union have been reached, a state delegation will be set up which will be confirmed by the Republic of Lithuania's Supreme Council.

5. The order for the preparation as well as the content of the negotiations must be coordinated with the Estonian and Latvian Republics, while holding discussions at the Council of the Baltic States.

So, this is the decision which was adopted this morning. Following this, the Draft State Law on Enterprises was discussed.

Prunskiene Interviewed

LD0507130990 Moscow World Service in Russian 0930 GMT 5 Jul 90

[From the "Soviet Chronicle" feature of the "Soviet Union Day by Day" program]

[Text] In an interview with an INTERFAX correspondent, Lithuania's Prime Minister Kazimiera Prunskiene stated that she finds it difficult to imagine any other variant of talks with the USSR, except intergovernmental negotiations. She pointed out that in the republic's Supreme Soviet there is a tendency to conduct a dialogue with Moscow on a parliamentary level and, in that case, the Soviet side at the talks would be represented by the USSR Supreme Soviet. In the opinion of Prunskiene, the choice of this variant would make the holding of talks on specific issues impossible.

Official Views Negotiations

LD0407163490 Vilnius Domestic Service in Lithuanian 1200 GMT 4 Jul 90

[Remarks by C.V. Stankevicius, deputy chairman of the Lithuanian Supreme Council, at the Supreme Council plenum in Vilnius on 4 July—recorded]

[Excerpt] We have grounds to hope that the consultations concerning the forthcoming talks will begin in the nearest future. This has been promised to us in the Kremlin, therefore we now have to think about preparations for these consultations.

The position of Lithuania at these talks will remain such as it was defined on 11 March and even before this date at the Sajudis election platform. This will be the realization of the independence of Lithuania, the restoration of the state of Lithuania. In fact, the implementation of state independence. We believe that the negotiations will proceed in this venue.

We will commemorate the 70th anniversary of the signing of the peace treaty between the Republic of Lithuania and the Russian Federal Republic on 12 July. This treaty and this date are significant not only historically—this was a treaty which laid the foundations for legal relations between Russia and the Republic of Lithuania. [passage omitted]

Landsbergis Discusses Approach

LD0407202190 Vilnius Domestic Service in Lithuanian 1600 GMT 4 Jul 90

[Speech by Vytautas Landsbergis, chairman of the Lithuanian Supreme Council at the Supreme Council Session in Vilnius on 4 July—recorded]

[Text] Esteemed colleagues, deputies, I would like to express some thoughts. Indeed, what we have decided—and the price of it is already known—is a moment of destiny in Lithuanian history and, perhaps, in the life of our nation. And the decisions that must be adopted will be adopted by the Supreme Council, an organ enjoying sovereign powers. Therefore this organ must lead this work.

This document reflects a certain statge in approaching genuine official negotiations, the formation of a state delegation. This would be a state delegation with clearly defined powers and within the limits of these powers to conduct genuine negotiations prepared thoroughly in the preparatory period. And these negotiations would be those official negotiations, which could be labelled like this, fixed by a protocol and then a period of 100 days would begin.

We saw and heard during meetings with the Soviet Union's leaders and know from their statements after our meetings, what the Soviet Union wishes.

The Soviet Union wishes to start negotiations soon, to call them negotiations at once, and to extend them for a long period of time. There has been talk about seven, five, two years in advance. They say that it would be a very difficult and long process, where many obstacles, demands, and difficulties would be raised. These have been listed all at one time. We imagine that if we accept this model the possibility of prolonging negotiations will be limitless: There will be proposals, demands on us, pressure will be applied by every method so that we will remain in the Union—which would be improved by one or another means. We heard a great deal about this during our meetings with the Soviet leaders.

They, of course, agree that if we are completely intractable then, of course, we have the right to leave. And this has been envisaged on their part: Delay, continue, [word indistinct], so that we will remain in some form on this map, which currently is Europe, so that we do not give up our place on the map and in the historical conscience. We have been not offered the choice of leaving the Soviet Union. At best we will be allowed formally to leave, as applicants to whom conditions would be dictated.

On the one hand the position is very clear: We must defend a different position. We must take care—and we have done it already yesterday—of the status of our state in these negotiations, which will be negotiations to regulate the whole complex of postwar relation with another state. [passage indistinct]

We must ensure that we are treated as equal partners, without restrictions, intimidations, pressure, without compelling difficulties, such as isolation from the world, restrictions on economic independence, [words indistinct], what is being restricted today—the work of the banks, international contacts, an independent budget, and so on.

We realize that there are many inherited ties that restrict us, and if we talk of being restricted, attempting to be somewhat free, we will not be equal partners—we will acknowledge that everything is as it should be, we will agree to the situation of being an unequal partner in negotiations. I think that this will not happen: We must ensure conditions in which we are an equal partner in negotiations. In order to achieve this, we must avoid a certain danger: To be weakened by details, in negotiations on different problems. An initial stage, this is what we call the present now. Everything that we have accomplished since 11 March is the achievement of this initial stage. We have achieved this because we were very determined, and we knew what standpoints to take, although we have been called romantics, lacking realism, and so on. But then, we would not have achieved what we have now as a starting point.

Therefore we must avoid the danger of involving ourselves in something unknown, which the other side would already like to call negotiations.

We need consultations, negotiations on negotiations—it must be clearly stated what do they mean—and the aim of all this work is to prepare conditions for genuine interstate negotiations. During this preparatory stage it

would clear what kind of a delegation the Soviet Union would form, and how and when these official negotiations would take place. I do not think, that other states in the world would stand aloof if we adopt this attitude.

If we agree that this is only the regulation of part of our problems with the Soviet Union, which would gradually, perhaps, let us go, we would be in a very clear position of a mutual problem between the Soviet Union and a part of the Soviet Union. The other side would like this very much.

Therefore I think that we must have a decision, a document, which would create a basis on how we form certain organs, a mechanism or an instrument, on how we are preparing on our part. So much for now.

Talks Commission Meets

LD0407231490 Vilnius Domestic Service in Lithuanian 1900 GMT 4 Jul 90

[Excerpt] The third meeting of the commission for the preparation of agreements with the Soviet Union took place today at the Lithuanian Foreign Ministry. It was chaired by the republican minister of foreign affairs, Saudargas.

After discussions a draft bilateral agreement on the principles of mutual relations between the Soviet Union and Lithuania was approved and handed over to the government. Practical proposals were made in drafting a special protocol which will have to be signed by the delegations of both parties before the beginning of the negotiations. [passage omitted]

Negotiations Preparations Disputed

LD0407225590 Vilnius International Service in Lithuanian 2100 GMT 4 Jul 90

[Excerpts] Today's debates at the Supreme Council on a draft resolution on the preparations for inter-state negotiations with the Soviet Union were marked by disputes; a decision was not reached. Debates will continue tomorrow. Most disagreements arose in the attempts to define the functions of the government during the period of preparations for and in the negotiations themselves. Today only the first paragraph of the resolution was adopted, which says that inter-state negotiations on the part of Lithuania will be guided by the Supreme Council. A commission on political, legal, and diplomatic preparations, to be set up on the proposal of the presidium of the Supreme Council and the government, will be confirmed by the Supreme Council. [passage omitted]

A brief but impressive speech was made at the session by the Minister of Justice Pranas Kuris, professor of international law. He stressed that each Lithuanian state institution must prepare for negotiations with the Soviet Union. The Supreme Council, in the opinion of the minister, should set up a commission and instruct it to prepare draft principles on mutual relations between the two states. All other problems should be dealt with by the government and the ministries. In the opinion of Pranas Kuris, a delegation of the highest level should be led not by the prime minister, although it is for the sides to decide, but by officials of a lower rank and not by the chairmen of the Supreme Councils. [passage omitted]

Prunskiene on European Mediation

LD0407214490 Moscow Television Service in Russian 2100 GMT 4 Jul 90

[From the "Television News Service" program]

[Text] Lithuanian Prime Minister Prunskiene has spoken at a press conference in Vilnius. She said that preparations are being made in the Baltics for negotiations with Moscow and that the most acceptable option for Lithuania is contacts between Moscow and all Baltic republics, with the mediation of West Europe. Lithuania is ready for bilateral negotiations, Prunskiene said.

Prunskiene Views Preparations

LD0407222990 Vilnius International Service in English 2130 GMT 4 Jul 90

[Text] The Soviet Premier Nikolay Ryzhkov has told journalists that the Kremlin is waiting for Lithuania's proposals as to on what level the forthcoming talks with the Soviet Union should be held. The Lithuanian Prime Minister Kazimiera Prunskiene told Radio Vilnius that on this issue her opinion coincided with that of the Soviet premier: It is difficult to imagine anything but intergovernmental talks, although our Supreme Council intends to do that on parliament level. Automatically the question arises—what is the other party? If one is Lithuania's Supreme Council then the other one should be the Soviet Union Supreme Soviet. Is this the partner to hold negotiations on concrete interests that will be dealt with? But knowing what is the other party and in line with world practice those should no doubt be intergovernmental talks. President Gorbachev also voiced such a view on more than one occasion. Still, having in mind the stand and traditions of Lithuania's Supreme Council I doubt very much that it will delegate this duty to anyone but itself. I would not say it is a pleasant duty, said Mrs. Prunskiene. We have some experience. Last year for some six months and later too we held talks with the Soviet Union on taking over the economy when the law on economic self-dependence was debated. The law was not implemented because of the latest developments, and after all because of fierce opposition within the Soviet Union's Government. Today the Soviet Government is in a different situation and through Premier Ryzhkov it is voicing absolutely different intentions. Well, time will show. I think that basically there can be talks only between equal partners. There could hardly be talks between Lithuania's Supreme Council and the Soviet Union's Government. Those would be inadequate partners, said Mrs. Kazimiera Prunskiene.

When asked her opinion of appointing a mixed delegation for the talks, which would include both members of the Supreme Council's Presidium and the government's representatives, Mrs. Kazimiera Prunskiene said: I think that for our part we can propose all sorts of versions. I saw a draft with Vytautas Landsbergis as chairman of the delegation. The talks will concern very practical matters. It is difficult to imagine the president of the Supreme Council an MP, on the one hand, and premier, minister of finance and so on, on the other, holding negotiations, said Mrs. Kazimiera Prunskiene.

The Lithuanian prime minister also pointed out that the Lithuanian government has been making preparations for the talks with the Kremlin for some time already without waiting for the decision concerning the level of the talks with the Kremlin: We started making preparations for the talks with the Kremlin already from the middle of last year. When I entered the former government as vice premier the very first week I gathered a team of people to work out drafts concerning the settling of financial accounts with the Soviet Union. So now we have a package of documents which will be submitted to the Supreme Council or, at least, its Presidium, for discussion. I think we shall be able to agree between ourselves as to how to form a delegation which will represent Lithuania's interests in the best way and we'll be able to argue professionally. Although it's not quite clear to me what kind of argument this is going to be. There were already so many of them that it would not be enough to go to Moscow with just the general stand. We must have very convincing argumentation and calculations indeed, said Mrs. Kazimiera Prunskiene, the Lithuanian prime minister, as she gave an interview to Radio Vilnius.

Answer Awaited on Delegation

LD0307224590 Vilnius International Service in English 2130 GMT 3 Jul 90

[Text] The Soviet Prime Minister Nikolay Ryzkov has said that the Kremlin will give all the initiative of talks to Lithuania [as heard]. Tomorrow the Lithuanian Supreme Council will discuss in its full-scale meeting the issue of preparations for interstate talks with the Soviet Union. It is believed that the Lithuanian parliament will restrict the consideration of the issue to setting up an appropriate parliamentary commission. In its turn the Presidium of the Lithuanian Supreme Council discussed the issue of preparations for interstate negotiations with the Soviet Union yesterday.

Meanwhile the Soviet Premier Nikolay Ryzhkov said in an interview to the Moscow-based INTERFAX news agency that he regretted that the Kremlin leaders had not yet received an answer from the Lithuanian leadership at what levels, that of heads of government or some other. Lithuania would like to hold the talks. We shall make our decision in accordance with theirs, the Soviet premier said, and added—we give all the initiative to Lithuania. Yet Nikolay Ryzhkov thinks personally that it would be best for the heads of government to hold the negotiations because very many concrete questions might come to the fore. According to the Soviet prime minister, the initial period of talks is likely to be the most difficult, during which the Lithuanian representatives will give their concept of what the future of Lithuanian is going to be.

Meanwhile the head of the Lithuanian parliament, Vytautas Landsbergis, said in his traditional radio appeal to the nation that he believes that talks on talks would last pretty long [as heard]. After that, as Vytautas Landsbergis put it, it will be time to agree what delegations on the Lithuanian and Soviet sides will sit down to the negotiating table, what particular powers the delegations will have, where the negotiating table will stand and similar things. The Lithuanian leader pointed out that responsibility for the future of Lithuania was immense. Therefore Lithuania was going to take all possible precautions befor entering official talks of two equal states so that the other side might not deceive Lithuania.

Vytautas Landsbergis stressed in his radio address to the nation that the provisional constitution of Lithuania and Lithuanian laws would be in force in the republic during the negotiating period with the Soviet Union, yet he remarked with bitterness that he was not pleased with the public mood about the moratorium. According to Vytautas Landsbergis, proclaiming the moratorium for the negotiating period Lithuania did not yield much to Moscow, taking into consideration that the Lithuanian population was not sufficiently untied already to endure anything. I could ask many citizens—you want a free Lithuania, rich and well-(?doing), but are you doing anything for that goal yourself or are you just waiting for it to be brought to you, said Vytautas Landsbergis in his radio address to the nation.

Landsbergis Says Road Not Easy

LD0307151790 Moscow TASS in English 1129 GMT 3 Jul 90

[By TASS correspondent Kazis Uscila]

[Text] Vilnius July 3 TASS—Lithuanian leader Vytautas Landsbergis predicted today that the road to formal talks with Moscow will not be easty.

Speaking on Lithuanian radio, he said that first there will be "long talks about talks" to decide "what kind of delegation will represent the two sides, what kind of powers they will have, and where the negotiating table will be set up."

It will be only after that, he said, that "the real official talks between the two equal states" will get under way.

The opportunity for the negotiations was opened after the Lithuanian parliament agreed, at Moscow's insistence, to adopt a 100-day moratorium on the Lithuanian independence act from the moment the talks go ahead.

Landsbergis said that the talks will also deal with the issue of how and when "all powers of managing the economy, transport, communications, law enforcement and border control" in the republic will be handed over to it.

He explained that the moratorium will represent Lithuania's renunciation of the rights of an independent state for a definite period. But he stressed that "the provisional constitution of the Lithuanian republic and its laws" will remain in force even during the talks.

Further Reportage on Lifting of Economic Blockade

Rail Deliveries Increase

LD0407230590 Vilnius Domestic Service in Lithuania 1900 GMT 4 Jul 90

[Text] The Lithuanian Government yesterday received a message signed by Vladimir Ginko, USSR deputy minister of railways, who said that the railway leaders have been instructed to supply rail cars without any restrictions to carry loads according to the plan to Lithuanian recipients.

The government commission for the regulation of the economic situation draws the attention of Lithuania's enterprises to the fact that there is a shortage of rail cars in the Soviet Union and undisciplined recipients of the loads may expect to be applied strict measures for the idle rail cars. [as heard]

As the flow of loads to Lithuania increases, enterprises and organizations must organize their work so that there is no delay in unloading the rail cars.

Shortfalls Itemized

PM0307162590 Moscow IZVESTIYA in Russian 4 Jul 90 Morning Edition p 1

[V. Romanyuk report: "Oil for Lithuania"]

[Text] Yesterday's edition of IZVESTIYA announced that the government had lifted all economic restrictions introduced in respect of Lithuania. This was the step taken by the USSR Government in response to the Lithuanian Supreme Soviet's decision to impose a temporary moratorium on the 11 March 1990 act "On the Restoration of an Independent Lithuanian State." Well, this is a good foundation for the coming talks.

As is well known, the restriction on deliveries applied to something in the order of 30 named products of strategic significance, along with those bought or able to be sold for freely convertible currency. Readers will recall the sensational story of the "barter deal" of cigarettes for a gas tanker. Coffee, tea, and a number of production and technical goods in short supply were also included on this list of commodities. But the main thing was, of course, oil and petroleum products.

The restrictions have now been lifted. The Gossnab [State Committee for Material and Technical Supply] chairman has just given the order for deliveries to the republic to be fully resumed in accordance with the plan for the third quarter of the year. In the first days 25,000 tonnes of diesel fuel, 5,000 tonnes of automobile gasoline, and 150,000 tonnes of kerosene have been dispatched to Lithuania by rail and pipeline. The fuel is being sent to the republic from nearby areas of Belorussia and the Russian Federation.

"How much fuel is being delivered?" was the question we put to Vladimir Grigoryevich Masalov, chief of the USSR Gossnab Balances and Wholesale Trade Department.

[Masalov] The usual daily delivery is 38,000 tonnes of oil. But that much won't be needed at first since the Mazejkjai oil refinery still has to work up to capacity. The refinery has virtually been at a standstill since 19 April when oil deliveries were suspended. It has now received its first oil, but it is still at the startup stage. It will take at least two weeks to get back to work.

The republic will be supplied with a total of 3.4 million tonnes of oil in the third quarter. It must be said that there never was a total blockade: Enterprises under Union jurisdiction continued to receive fuel to maintain their operations. But there were, of course, difficulties—and not only for Lithuanian enterprises. The Mazejkjai refinery provided all the Baltic republics with petroleum products, so its shutdown also complicated the situation in Latvia and Estonia.

[Romanyuk] Will these deliveries be carried out to the detriment of other republics?

[Masalov] We will try to prevent this and provide for Lithuania's requirements using additional capacities. As is well known, some of the resources destined for the Mazejkjai refinery werer redistributed among oil-refineries in Vitebsk, Leningrad, and other oblasts. Some proportion of this will, probably, be returned to Mazejkjai.

The fuel problem is indisputably the key one. However, the economic restrictions also upset transport operations and damaged the work of machine builders. In the first five months of this year Lithuania was supplied with only 17 metal-cutting tools out of the annual delivery program's promised 500, along with 173 out of 1,000 trucks. In turn consumers in the Union have in the first five months of this year failed to receive from Lithuania more than 80,000 low-output electric motors for domestic appliances, 565 automatic compressors for KamAZ trucks, and a large quantity of plastic products.

"There is a host of very specialized production units in Lithuania, as in other republics," USSR Gossnab Deputy Chairman V. Bozhagov said, "producing electrical equipment, appliances, and instruments. The holdups have had a bad effect on many of the country's enterprises."

The situation in the republic's economy has once again demonstrated the close interconnections within the national economic complex. They must be developed, rather than torn asunder.

Prunskiene on Resumption of Oil

LD0307213990 Moscow Television Service in Russian 1700 GMT 3 Jul 90

[Interview with Lithuanian Prime Minister Kazimiera Prunskiene by correspondent A. Paulyas in Vilnius on 3 July; from the "Vremya" newscast—recorded]

[Text] [Paulyus] After the announcement by the Lithuanian government of a moratorium on the Act of Restoration of Independence of the Lithuanian state—as you will remember, that happened on June 29—the Union leadership set about halting economic sanctions against Lithuania.

The Mazeikiai oil refinery is receiving raw materials and preparing to go into operation—it supplies the entire republic with fuel and lubricating materials, and not just transportation goods, moreover, but agricultural machines and thermal power stations.

Yesterday evening supplies of gas to Lithuanian resumed. The factories which had closed down or had their operation suspended are coming to life.

[Prunskiene] I was handed a telegram today—a telegram which arrived yesterday—from (Mostovoy), chairman of the USSR State Committee for Material and Technical Supply. It says in the telegram that deliveries of material and technical resources are being provided to us for the third quarter in accordance with the quota and that instructions are given to ensure the strict fulfilment of contractual obligations. Naturally, that suits us in this sphere, and our economy will gradually be able to restore—if we manage to do it, that is, of course, fairly difficult—the previous work regime.

[Paulyus] Excuse me, I can plainly see the draft contract on your desk.

[Prunskiene] Yes, that is part of the contract, just a part on trade and economic cooperation between the Lithuanian Republic and the Union. We think that after there are consultations yet again—it would be desirable to already start talks in mid-July. That does, moreover, depend how the 28th Congress progresses and when it ends, since the leaders of the Soviet Union are intensely occupied with this important event.

[Paulyus] You are presumably counting on a positive outcome?

[Prunskiene] Naturally, if we do not plan on that, then the question is posed of why the talks are necessary.

[Video shows moving trains and Prunskiene being interviewed in an office by Paulyus]

Lifting Detailed

LD0307140790 Vilnius International Service in English 2130 GMT 2 Jul 90

[Text] The Soviet Union is gradually lifting the economic blockade of Lithuania. This evening the Lithuanian Gas Association was informed that the normal supply of gas would be resumed. Lately Lithuania had been receiving 11 million cubic meters of gas a day. Now it will receive 15 million cubic meters—the amount Lithuania was allocated according to the Soviet Union's state plan made last year. The Lithuanian industry will be ready to receive the additional amount of gas tomorrow.

Still, up to this evening no official information has been received concerning the resumption of planned material supplies by railway. The railway blockade, which was especially strict, prevented the implementation of numerous direct commercial agreements with separate regions of the Soviet Union during the two and a half months. Relevant official news is expected tomorrow.

Meanwhile the administration of the Mazeikiai oil refinery says that following the resumption of oil supplies on Saturday, the first produce will start to be turned out next week. Nevertheless, the plant is facing serious difficulties as during the blockade about three and a half hundred specialists returned to the Soviet Union. There is also a shortage of tank trucks which were taken out of Lithuania.

Lithuania's Deputy Minister of Power Engineering Alvidas Liaukonis has pointed out that the resumption of normal supplies of fuel products from Mazeikiai will take twice the duration of the blockade. Agriculture is to be provided first. Oil products will be also supplied to the Soviet Union's partners abroad. Having stopped the supply of crude oil to Mazeikiai, the Soviet Union suffered more than two million dollars losses daily for breech of export contracts. As the Ministry of Power Engineering plans, owners of private cars will be able to buy a certain amount of petrol at a low state price while some more, they will have to pay a much higher commercial price.

Now as to the statistics for Saturday, the penultimate day of the blockade: The blockade involved 46,800 jobs. About a half of these people stayed out of work altogether, others were employed in different jobs, while still others were forced to take their paid holiday earlier. Nine industrial enterprises did not function at all. Difficulties connected with the blockade were suffered by 27 percent of industrial enterprises, 52 percent of construction organizations and nearly 57 percent of transport enterprises.

Background Viewed

PM0307153090 Moscow KOMSOMOLSKAYA PRAVDA in Russian 1 Jul 90 p 2

[Report by KOMSOMOLSKAYA PRAVDA correspondent V. Zarovskiy: "One Hundred Days to Consensus:

The Lithuanian Parliament Has Announced a Temporary Moratorium on the Independence Act"]

[Text] The notorious argument that was heard in parliament on the appointment of a candidate to a ministerial portfolio, that "he is a real Sajudist," seems to have been extended. The first and second sessions of the new Sajudis seimas discussed an unusual question for a People's Front: the Sajudists' monitoring of the activity of all the structures of executive power in the localities. The justification: the weakness of the self-government structures that are being set up and the participation of "has-beens" in the new structures. So the intention is apparently to set up Sajudis gorkoms [city committees] and raykoms [rayon committees]? Whereupon we picture the scene: the gorkoms and raykoms of the autonomous Lithuanian Communist Party that still exist, those being set up by the Lithuanian Communist Party (CPSU), and now the Sajudis ones too. Is that not rather a lot of rulers? Is it not better for all the parties to concern themselves not with monitoring, but with business?

These are not rhetorical questions. A power struggle is now under way in Lithuania. A struggle for the one "true" power. The opposing poles in the struggle are Sajudis and the Lithuanian Communist Party (on the CPSU platform). The former want to consolidate their positions at enterprises and institutions, the latter to hold on to theirs. Both are resorting to pressure to maintain their influence. The law on the press, adopted back in February, is not operating. Parliamentarians are also allowing themselves to "lay into" those publications which, in their view, do not behave correctly—they criticize the Supreme Soviet. It is not a question of the Interfront [International Front] newspapers or the organs of the Lithuanian Communist Party (CPSU), where the words "separatists" and "extremists" crop up in every issue. A movement that is still trying to intimidate ordinary Lithuanians with the threat of the private sector, unemployment, and the market, refusing to see or speak of these same processes countrywide, looks unconvincing. And attempts to summon enterprise leaders for discussions and tell them—praise be to the bureaucratic command system!—how to work, amount to nothing but a desire to remain important, even essential.

Nonetheless... The recent stepping up of the activity of the Lithuanian Communist Party (CPSU) can be regarded as a reasonable counterweight to Sajudis diktat. Perhaps the Lithuanian Communist Party members (the majority of whom are workers—Russians and Belorussians) are not all that skilled in debate. But they clearly sense the threat of such diktat. A. Yuozaytis [as translitерated], the well-known philosopher and, you could say, independent, writes about this in two articles, "Longing for Democracy" and "Presidential Rule?" "Whereas before the elections many people repeated again and again that 'we will start tackling democracy later,' today it is time to get down to it. Presidential rule already virtually exists, only it is not Kremlin rule, but local rule."

They say that the best laws are derived from customs. Forcing the pace of political life almost inevitably degenerates into despotism. In Lithuania today it would not be surprising if one fine day the majority of deputies informed the nation that it has a president. Especially since preparatory work is in progress. One must agree with the philosophers. The major and minor facts that are surfacing testify, regrettably, to attempts to establish a monopoly of power by the Sajudist parliament and turn Sajudis into a state party, a guiding and leading party. KOMSOMOLSKAYA PRAVDA has always reported the Lithuanian leaders' popularity ratings. According to my information, the latest poll was held at the end of May, but it has not yet been published. The local press is remaining silent, and it was only with difficulty that I managed to find out some of the results through personal channels. Here they are. V. Landsbergis ranks only third, the Council of Ministers is running higher than the Supreme Soviet, and the autonomous Lithuanian Communist Party is winning more and more admirers.

And this, in my view, is not surprising. Something else is surprising. The Tautininkas [nationalist] organ LIETUVOS AJDAS has been revived, the organ of the party that once led Lithuania to presidential rule and the overthrow of democracy. A preference for "our" men can also be seen in the Lithuanian Supreme Soviet chairman's guard. This task was not entrusted to the KGB, or to a special militia detachment. The director of the regional security department picked some guys specially.

I remember those tense days in Vilnius. At that time the Committee for the Rights of USSR Citizens was holding rallies outside the Supreme Soviet. The day before, similar demonstrations had been held in Tallinn and Riga, and had culminated in an attempt to occupy the parliament buildings. Here in Vilnius all the necessary precautions were taken: The entrance was blocked with iron barriers, fire hoses lay at the ready in the corridors of the Supreme Soviet, and militia details ten times the usual size were on duty. And then they appeared, the new protectors. Their hair cut short, athletic, broad-shouldered, carrying clubs. It was then—18 May—that you could say the confrontation reached its peak. Disaster and bloodshed were only a step away. Neither the demonstrators nor the ones with the clubs took that step. But a bitter taste was left behind. As also happened after the 9 May festival, which I had always loved. My paternal grandfather was seriously wounded in the liberation of the Lithuanian city of Silute in 1944. He died of his wounds two years later. So I have my own grievances against the war. But I was not allowed to attend the parade. My KOMSOMOLSKAYA PRAVDA card did not help. The central street where the ceremony took place was encircled by paratroopers with submachine-guns and flak jackets, and the approach was barred by "Ural" trucks. All I could do was to watch the "thousands of joyful inhabitants of Vilnius" in the distance, over people's heads. Opposite was the Lithuanian

Council of Ministers, where a session was in progress at the time. But they were not invited to the festival, either. Is not that what gives rise to hostility and suspicion?

The Lithuanians have formed a similar lack of trust in one another. Everything depends on your party affiliation. The Lithuanian Communist Party has expressed repentance to the people and has even expressed support for the Sajudis movement. The people have forgiven it, but not Sajudis. At every convenient opportunity they accuse the autonomous Lithuanian Communist Party of every sin and of the present troubles, forgetting that they themselves have been in power for more than three months and form both domestic and foreign policy.

The roots of the bourgeois democracy that existed in prewar Lithuania, albeit in a curtailed form, provided the impetus two years ago for such rapid growth of an organized people's movement. Parties were formed. Some of them announced their regeneration, but the paradox is that they all formed a single front, forgetting the need for a balance of forces, equilibrium, in society, and later in parliament too. This was also spoken of at the recent plenum of the autonomous Lithuanian Communist Party Central Committee. Furthermore, right after that they declared that without democracy Lithuania will not be independent.

Thus the one "true truth" of the Sajudis supporters in parliament, which has been defining policy since 11 March, divided the public into idealists and realists. Here is what J. Karosas, a lecturer and member of the autonomous Lithuanian Communist Party Central Committee, writes on this point: "Today a certain polarization in the interpretation of the problem of our statehood is clearly emerging. There are realists, that is, people for whom the most important thing is the true content of statehood, but there are also people of the opposite kind—idealists. Those of the latter kind think that the problem of the restoration of statehood can be resolved regardless of reality. I think the prospects for such an idealistic concept are extremely hazy."

In this situation the republic Council of Ministers has become a realist, by adopting the appeal to parliament on a moratorium on the act "On Independence..."

For more than a week the parliament did not examine this appeal. They waited for Prime Minister K. Prunskiene to come back from abroad. It can no longer be concealed that more and more disagreements are springing up between the Lithuanian parliament and government, especially recently. Ministers are engaged merely in distributing the remnants of raw materials, fuel, and resources (10 of the biggest enterprises have stopped work), while parliament demands from them a more active, balanced economy and the minimization of the consequences of economic sanctions by Moscow. The majority of deputies were until recently not inclined even to discuss the possibility of any concessions to the Soviet Union. In this situation K. Prunskiene's statement that Greek and Polish politicians will support the Lithuanian government's proposal for a moratorium was very timely.

You could say that the government has no alternative but to fight for the commencement of talks with Moscow. After the first summit meeting between the leaders of Lithuania and the USSR, natural gas began to flow again. If it had been, say, four days later, all the enterprises would have ground to a halt. A similar situation has now arisen with liquid fuel. In nearly all rayons of Lithuania the stocks of diesel fuel will last until mid-July. The situation with machine oil is even worse. Of the 44 rayons, 38 have already almost used up their stocks. The hay procurement season is approaching, and, according to a report by the Lithuanian news agency ELTA, the stoppage of all agricultural machinery is possible. The villages of Lithuania are far from tranquil now. Unless the farmers receive the necessary quantity of gasoline and oil, mass acts of protest are possible. "We will take our pitchforks and march on parliament," they say.

According to Vice Premier A. Brazauskas, Lithuania's economy has suffered a two-year setback, and unless urgent measures are adopted it could go into recession.

But now let us come back to the moratorium. Attitudes to the possibility of a moratorium differed. The Vilnius and Kaunas city Sajudis councils came out against it. They are receiving active support at large rallies held by the Lithuanian Freedom League. The movement's leader A. Terlyatskas [as transliterated] repeats tirelessly that "the autonomous Lithuanian Communist Party is a criminal organization that has invented the idea of a moratorium and now wants to freeze the heart of Lithuania."

A different opinion is held by R. Balatka, editor of the Sajudis newspaper ATGIMIMAS: "I think that for some people it is a moratorium, for others it is a crematorium. One thing is clear: The time has come to break the deadlock. I am in favor of an active policy, and the moratorium is an active policy."

As we were going to press it became known that the moratorium has indeed been declared. But does this mean an end to the arguments? Meanwhile some brave lads in Kaunas smashed up the monuments to V. Kaps and F. Dzerzhinskiy with hammers, the militia donned new cockades and buttons depicting Vytis, deputies from the Polish rayons suddenly started talking Polish at Supreme Soviet sessions, the new "11 March" party was formed, and the presentation of new Lithuanian citizenship documents began. Citizen No. 1 was, of course, V. Landsbergis.

Prunskiene Reportedly Threatens To Resign

LD0307223990 Vilnius International Service in English 2130 GMT 3 Jul 90

[Text] The Lithuanian Prime Minister Kazimiera Prunskiene made another warning at the afternoon meeting of the Lithuanian Supreme Council today that she might resign.

The warning came after the Lithuanian parliament started discussions on budgetary deductions to the Soviet Union without informing the government about it. As we have mentioned in our programs, even after the act of independence was proclaimed the Lithuanian Ministry of Finance continued transferring part of its income to the budget of the Soviet Union. This is done with the hope that during the Lithuanian-Soviet talks an estimate of reciprocal debts will be made.

The Lithuanian Finance Minister Romualdas Sikorskis asserts that Moscow's debts are bigger. According to Kazimiera Prunskiene all interstate financial issues must be made an object of talks with Moscow, so parliament might do Lithuania a bad service if it rules to stop budget transfers to the Soviet Union. The Lithuanian Supreme Council put off the discussion of the issue after that.

Prunskiene Discusses USSR Budget Payments

LD0307212190 Vilnius Domestic Service in Lithuanian 1633 GMT 3 Jul 90

[Speech by Lithuanian Prime Minister K. Prunskiene at the Lithuanian Supreme Council session in Vilnius—live]

[Excerpts] [passage omitted] I wish to draw your attention, once more, to the fact that this resolution [on payments to the USSR budget] negates, in essence, the adopted direction toward negotiations which we discussed so extensively over two weeks, and then adopted the decision on the moratorium; that does not sound so pleasant to us and was not so pleasantly adopted. What was the sense of doing that, if currently we are to adopt a course in the opposite direction?

In essence, we have made our decision and the future agenda of the Supreme Council—to delibcrate the negotiation question—has also been provided for: Undoubtedly to decide what we will negotiate for, and what we will strive to attain. [passage omitted]

Thus the minister [Sikorskis] probably reminded you that decisions have been adopted giving rise to indications that we are not unilaterally seeking the same type of economic relations as presented in the decision of 12 March and other subsequent decisions.

I wish to call your attention to the fact that during discussion of the first draft resolution paragraph the minister raised this argument again, without knowing that there exist matters, which could result, at least partially, in a return of the economic blockade, if we [indistinct words], in the sense that contributions to the USSR budget, to a great extent, still comprise distribution of circulation taxes. [passage omitted]

Are we doing this this through negotiations, or by having one side act one way and the other go backwards? It seems, on the currency matter from the little that I managed to hear on the radio after the meeting, that there is much we have not deliberated today regarding these motives.

Moreover, in principle, one view of the matter evolves if a decision has been made to undermine the negotiations; while a different view comes to the fore if we maintain the stance of seeking negotiations.

This draft resolution is obviously oriented toward negating the decision adopted last week and to direct the matter, by other means, away from negotiations and once more direct it toward a new conflict situation. The government, in essence, does not support such a policy for reasons of principle, in addition to earlier-mentioned economic reasons.

I have written a letter, in several parts, on my own behalf, to Prime Minister Ryzhkov, since we have been invited to negotiate regarding next year's budget on his initiative. Thus, Minister Navickas, last week—it was probably Monday or Tuesday while in Moscow, having been sent there for this purpose—has presented this letter in which it was stated that from 1 July we are seeking to draw up a budget independently [word indistinct], that is, to resolve that question by way of an agreement. Moreover, this automatically changes bilateral movement both from the one side and the other—they cover one another to a large extent.

But this has to be solved and done unilaterally. [passage omitted] But now these matters have remained unresolved and they must be—of course, it would be good, to resolve them by 1 July—so that more expanded relations would function from 1 July by means of an agreement. [passage omitted] I ask you, again, to transfer this question to negotiations deliberation—but not to create obstacles in this fashion to the negotiations with [word indistinct].

Reportage on Lithuanian Supreme Council Session

Draft on Negotiations Discussed

LD0407202490 Vilnius Domestic Service in Lithuanian 1900 GMT 4 Jul 90

[Text] At a session of the Lithuanian Supreme Council today, Lithuanian Minister of Foreign Affairs Algirdas Saudargas made a report on features of U.S. history and policy on the occasion of American Independence Day. Chairman of the Commission for Foreign Affairs Emanuelis Zingeris read out a message from the Supreme Council to the U.S. Congress and the American people. The session was addressed by the U.S. public figure, former Senator Gary Hart, who is visiting Lithuania.

A letter from the chairman of the Supreme Council of the Republic of Lithuania to President George Bush was read at the session.

Secretary of the Lithuanian Supreme Council Liudvikas Sabutis spoke about preparation for the inter-state negotiations with the USSR. He submitted a draft decision on negotiations. Conclusions and proposals on this issue were submitted by the chairmen of the commissions, Supreme Council Chairman Vytautas Landsbergis, Minister of Justice Pranas Kuris, Vice Premier Romualdas Ozolas, and deputies.

The draft decision will be debated.

Deputy Aurimas Taurantas spoke on draft regulations of the Lithuanian Supreme Council, amendments to the Lithuanian temporary basic law, the law of the Lithuanian government, and the elections of Lithuanian deputies. He submitted editorial proposals on these issues. Debates started on the draft regulations of the Lithuanian Supreme Council. The message of the Lithuanian Supreme Council to the U.S. Congress and the letter from Vytautas Landsbergis to President George Bush will be published in the press.

Greets U.S. Congress

LD0407174390 Vilnius Domestic Service in Lithuanian 1600 GMT 4 Jul 90

[Letter from the Lithuanian Supreme Council to the U.S. Congress marking U.S. Independence Day: read by Emabnuelis Zingeris, Lithuanian Supreme Council Foreign Affairs Commission chairman, at the 4 July Supreme Council session in Vilnius—recorded]

[Text] Members of the Congress, on the occasion of the anniversary of your Declaration of Independence, the Supreme Council of the Republic of Lithuania wishes to convey its most heartfelt wishes and states that it supports the principles and ideals represented by the United States. The American people are an example of genuine democracy to all peoples of the world. The Lithuanian people are not an exception.

When the United States celebrates the 205th [as heard] anniversary of their independence, Lithuania will have marked the first anniversary of the second restoration of the independent state. We are convinced that the United States will continue to demonstrate the example of those aims and principles for which the Lithuanian people are striving, too.

On behalf of the Lithuanian people and on behalf of the Lithuanian parliament, we convey our most heartfelt greetings to the U.S. Congress and to the American people. We are sincerely grateful for your support.

[Signed] The chairman of the Supreme Council of the Republic of Lithuania, Vytautas Landsbergis.

Plenary Session Begins 4 Jul

LD0407102990 Vilnius Domestic Service in Lithuanian 0900 GMT 4 Jul 90

[Text] Some minutes ago, at 1200 local time the plenary session of the Supreme Council began at the Palace of the Supreme Council. Today it will not be broadcast by radio because deputies would like to discuss matters with the radio microphones switched off.

However, a detailed report on the plenary sitting is being prepared and will be broadcast in our later radio bulletins, probably when the plenary session is completed.

According to information received from Deputy Abisalas the issues under discussion today are: preparations for the negotiations with the Soviet Union and standing orders of the Supreme Council [passage indistinct].

It has been decided to commemorate the U.S. Independence Day by sending a greetings message, especially since a guest from the United Stated—ex-senator Gary Hart—is taking part in the plenary session. As the guest arrived only for one day the schedule of his visit is very tight.

An hour ago G. Hart was received by V. Landsbergis, chairman of the Supreme Council of the Republic of Lithuania. After the plenary session he will meet with Prime Minister K. Prunskiene followed by a visit to Biship Julijonas Steponavicius. Naturally his schedule could be adjusted.

The visit coincides with an important day for the U.S. people today is a national holiday in the United States, Independence Day. A solemn commemoration of this day will be held today in the Vilnius "Zinija" Society Hall.

The USA-Lithuania Association informed us that a letter has just been received from the U.S. ambassador in the Soviet Union, Jack F.Matlock, in which he wishes all the best to all the people of Lithuania on the path to independence.

Vilnius Radio on 3 Jul Supreme Council Session

Agrarian Reform Discussed

LD0307105390

[Editorial Report] Vilnius Domestic Service in Lithuanian at 0735 GMT on 3 July continues its live relay of the Lithuanian Supreme Council session in Vilnius.

At 0800 GMT, A. Rudys completes his report and deputies direct questions to him on the draft law on taxation.

At 0829 GMT, a 30-minute adjournment is declared.

At 0900 GMT, the session resumes its work. Debates on a draft law concerning income tax continues.

At 0950 GMT, it was proposed to publish to draft law in the established order for society's discussion and then debate it at the end of July. A vote on this proposal will be taken in the afternoon.

At 0952 GMT, Deputy Sadreika submits a report on amendments to the Code of Civil and Adminstrative Rights Violations.

At 1003 GMT, debates on the amendments ensue. Deputy Sadreika submits only two points of the amendments. It is proposed to vote on this issue later in the afternoon.

At 1015 GMT, Deputy Grakauskas submits report on agrarian reform. the public is of the opinion that agrarian reform is essential, he says. There have been attempts to divide the society on this issue. Agricultural workers have doubts about the reform: will they be able to obtain a part of the existing property of colective and state farms; will they have machinery to carry out all agricultural operations etc? The rapporteur states that all six paragraphs concerning agrarian reform have been distributed among the deputies and he is not going to read them. Discussions by society and in parliament will continue before any final decision is made.

At 1040 GMT, an interval until 1215 GMT is announced.

Ministers Give Reports

LD0307142490

[Editorial Report] Vilnius Domestic Service in Lithuanian at 1210 GMT on 3 July resumes its live relay of the Lithuanian Supreme Council session in Vilnius.

Questions are directed to P. Knasys, minister of agriculture, concerning the agrarian reform in progress.

At 1328 GMT, a letter from workers of a collective farm in Klaipeda rayon is read which says that the authors of the letter are strongly against privatizing their collective farm. They say that at the moment they are satisfied with their position as workers of the collective farm.

At 1331 GMT questioning ends.

At 1333 GMT, Marijonas Misiukonis, minister of internal affairs, presents the draft statute of the Lithuanian Militia-Police Academy which government plans to set up in the near future.

The statute says that the goal of the academy will be to train specialists for a Lithuanian police-militia force. The full-time course as well as the same course by correspondence will last five years. M. Misiukonis says that this school of high education will train highly qualified specialists for the Lithuanian police force.

Speaking about the current situation in the militia forces, M. Misiukonis says that militia schools are not and will not be able to train highly qualified staff for militia work in Lithuania.

At this stage it is not yet clear what the name of the force will be—militia or police.

At 1340 GMT, questions are directed to the minister concerning specific aspects of the Academy, such as the entrance exams, financing, selection of students, and others.

Concerning the financing of the Academy, M. Misiukonis says that the three currently existing militia schools will be reorganized. He says that negotiations with Moscow have already started on this issue.

Some deputies ask to explain the double name of the Academy: "Militia-Police Academy". M. Misiukonis says that he does not know which of the two will be finally adopted but he would personally prefer "Police Academy".

At 1350 GMT, questions to the minister are over. It is decided that the relevant parliamentary commissions should be entrusted with the task of preparing a draft statute of the Police-Militia Academy for full parliamentary debate.

The session is adjourned at 1355 GMT until 1425 GMT.

Prunskiene Speaks

LD0307180890

[Editorial Report] Vilnius Domestic Service in Lithuanian at 1425 GMT on 3 July resumes its live coverage of the Lithuanian Supreme Council in Vilnius.

Deputy Emanuelis Zingeris takes the floor and gives a report on his recent visit to Israel. Zingeris presents a book which contains the memoirs of an Israeli women to the Supreme Council. He says that "our republic and the small state of Israel...will establish normal diplomatic relations of goodwill."

At 1438 GMT there is a discussion on the law of enterprises. This discussion concludes at 1510 GMT. A vote is then taken on the budget commission presenting a completed draft law on taxation for a second reading and possible adoption. The resolution is adopted.

At 1518 GMT discussion begins on the agrarian reform issue and payments into the USSR budget. A panel commission presents its report.

At 1550 GMT discussion follows the report and aspects of production supply are brought up. A proposal to vote on this issue on Thursday, 5 July is made.

Lithuanian Finance Minister Sikorskis says that this question was discussed by the Council of Ministers. Sikorskis quotes the government's opinion that this draft cannot be adopted. He notes that the question of taxation of union enterprises must be discussed in negotiations with the USSR. Such a decision would be illogical and counterproductive, he says.

At 1610 GMT a question is asked about how USSR debts will be handled. Sikorskis notes this will be taken up during negotiations.

Deputy Vagnorius asks what losses the USSR will be subject to if this draft is adopted. Minister Sikorskis explains the problems that might arise if this resolution is adopted. He notes that budgetary problems are very complicated. Minister Sikorskis adds that Baltic finance ministers will meet in Riga on Thursday to sort out budgetary problem handling.

At 1625 GMT Landsbergis asks for a definition of certain budgetary terms. He states that during negotiations, efforts must be made to achieve an agreement with the USSR that hard currency revenue would not be paid into the USSR budget at all.

At 1630 GMT an unidentified deputy asks whether the moratorium is already in effect. Sikorskis replys no; but that during preparation for negotiations, care should be taken not to aggravate the situation.

At 1633 GMT Lithuanian Prime Minister Prunskiene takes the floor. She notes that the object of negotiations is the regulation of economic relations with the USSR. She cautions against action being taken outside the negotiations. She says that the government does not approve of these separate actions. She says that she wrote to Premier Ryzhkov on the subject. She stresses that this question should be left for negotiations.

It is announced that the budget commission will meet tomorrow; 4 July.

At 1642 GMT the relay concludes.

Lithuanians Discuss Upcoming Soviet Army Draft

LD0207171690 Vilnius International Service in English 2200 GMT 1 Jul 90

[Excerpts] On 5 July the second round of drafting takes place. In the first round in April over 1,000 youths were recruited by the Soviet Army, half of them Lithuanian. The Military Comissariat intends to round up a further 5,000 in July. Most of them, however, are reluctant to go to the Army, and pin high expectations on the forthcoming dialogue between Vilnius and Moscow. Some think that (?staying at) the college or university course will save them from the barracks. Others plan to go into hiding. [passage omitted]

Meanwhile, the Lithuanian procurator, Arturas Paulauskas, said that the law on compulsory military service has been revoked with the reestablishment of the independent Lithuanian state.

[Paulauskas in vernacular fading into English report] The Lithuanian Procurator's Office has no intentions whatsoever to initiate legal proceedings against Army dodgers, says Arturas Paulauskas. The Lithuanian military commissar, as well as the Moscow-instated procurator in Lithuania, observe Soviet law, but they simply lack the physical resources to initiate proceedings against all Army evaders for the simple reason that there is only a handful of officials loyal to Moscow at the Procurator's Office in Lithuania. I think that they are only threatening to start proceedings against potential Army draftees. However, the fact that they might be rounded up and taken into the Soviet Union to stand trial cannot be ruled out. But this would be an unheard of violation of legal procedures, even within the framework of Soviet legislation, says the Lithuanian procurator. Those who refuse to join the Army cannot be tried by the Military Procurator's Office since they have not given their military oath.

Meanwhile, regardless of the energetic steps taken by the Lithuanian government, it will hardly be able to defend its youth if force is used against them. The law on alternative service, although discussed earlier by parliament, has not yet been adopted since it is not clear when negotiations with Moscow will take place. And when they do take place, in all probability maybe such a law will be totally unnecessary. Lithuanian universities and colleges are taking steps which would enable youth to pass their entrance examinations earlier, and in this way free them from service in the Army of a foreign state. Algirdas Valunis is the pro-rector of the Vilnius Civil Engineering Institute.

[Valunis in vernacular fading into English report] Well aware of the fact that students were not recruited by the Army in earlier years, we have already enrolled a large number of youths who finished school with good and excellent marks. They did not have to sit for entrance examinations. We have plans to enroll about 1,000 young men if, of course, the Military Commissariat does not resort to force. If so, we wouldn't be able to do anything about that. The institue won't acually be able to save youth from military service, but will do everything in its power to at least help them to juridically evade recruitment, says Algirdas Valunis, pro-rector at Vilnius Civil Engineering Institute. [passage omitted]

Speaking in parliament last week, the Lithuanian prime minister said that in suggesting a temporary suspension of the realization of the independence act, she saw the issue of service in the Soviet Army of Lithuanian youth as item number one on the negotiations agenda. However, today it is quite clear that Lithuanian youth will be linked with the Soviet Army in one way or another for quite some time. Even if the 5,000 potential recruits refuse to serve in the Army now, there would still be 40,000 Lithuanian nationals doing their service in the ranks of the Soviet Army.

Prunskiene Cited on Baltic 'Joint Strategy'

LD0407121990 Vilnius Domestic Service in Lithuanian 1100 GMT 4 Jul 90

[Text] Lithuanian Prime Minister K. Prunskiene said that leaders of the three republics might meet next week and prepare a joint strategy for negotiations with Moscow. According to her, the policy should be well

coordinated. However, the USSR government is against talks on one against three formula.

Ceslovas Stankevicius, deputy chairman of the Supreme Council of the Republic of Lithuania, stated in an interview with the Soviet news agency Interfaks that talks could begin immediately after the CPSU Congress. However, consultations will take place first.

It has been planned to conclude the congress by mid July. Today the Supreme Council is discussing the question of preparation for negotiations with the Soviet Union. The work of the session is not being broadcast by radio.

Lithuania's Landsbergis on Sovereignty, Blockade

PM0407135690 Moscow MOSCOW NEWS in English No 26, 8-15 Jul 90 p 7

[Undated interview with Lithuanian President Vytautas Landsbergis by Grant Gukašov: "Vytautas Landsbergis: It's Time To Start a Dialogue"]

[Excerpt] Vilnius—[passage omitted] MN: It's you who were speaking about a moratorium on independence. You promised it, but you can go back on your word, can't you?

V.L.: That's one way of putting it. But I'm told the centre will pursue its own line no matter what. If we were to announced a moratorium, we will look bad. We have been accused of acting rashly, anticipating events, and of being obstinate. They say: you have created the problem and do not want to resolve it, as if the problem was created in 1990 by us rather than in 1940 by Stalin. Our alleged haste was caused by the hasty passage of the Law on Secession from the USSR and certain other legal acts passed earlier and openly imposing on the rights of the republics, in the face of all our protests. This issue permeated the long election campaign in Lithuania and, since we got the mandate for power, we simply had to pass our Declaration of Independence.

MN: Which political and economic functions might Lithuania delegate to a union of sovereign states?

V.L.: Before we can delegate anything, we must possess the entire range of rights and liabilities of a sovereign state. Once we have that, Lithuania will find a way to solve matters. Perhaps, there will be an East European parliament working towards the elimination of injustices. With the growth of trust in such a parliament, republics could delegate some of their sovereign rights—in the spheres of diplomacy, foreign trade, transport and defence, for example. But how can we agree to it now, when transport is used as a political lever, when the foreign trade ministry fleeces us, and the defence department dictates its own conditions in everthing? Of course, we can set up our own transporation service, despite the fact that both the roads and the means of transportation are run down due to neglect, but the Union authorities have introduced strict control over haulage. As a result, Lithuanian trucks with car fuel have been held up in Poland and with oil in Belorussia. The authorities want to confiscate them from us. But how can they when the trucks are our property!? You can say that this is one small instance, but it reveals in a nutshell the arbitrary rule which Lithuania has suffered for half a century. What does it mean today to delegate some of the functions to the Ministry of Foreign Affairs? This ministry refuses to issue visas for business people, parliamentarians and relatives from abroad. But this is nothing short of the usurpation of the rights of our republic. In the economic sphere, we are taking care to maintain and develop existing ties by switching over to direct cooperation. Once the transportation blockade is removed, the new economic life would start, with the rouble—at first, the current one, and then upgraded to hard currency—calling the tune, to the benefit of both sides. We don't need a moratorium. The Kremlin needs it. How could we explain it to the people? To satisfy the centre's embitions? To put a brave face on a sorry business? Perhaps we should agree to a moratorium, just to break the deadlock created by the "humanism" of force. We could undertake commitments as a member of the Warsaw Treaty Organization in political, economic, military and other spheres—proposals along these lines are ready. We could sign the treaty setting out an alliance, so that in case of an emergency, we could act together with the other Union republics, which would agree to cooperate.

MN: The issue of ethnic minorities in Lithuania may be important at the talks.

V.L.: Now there are prospects in the offing for direct talks with the republics. When people read the texts of Lithuanian treaties with Russia, the Ukraine, and Belorussia, they will understand that the problem solves itself. There's another issue—that of the national border—which is being used as a lever for exerting pressure against us: you can keep your present territory if you stay in the Union, but will have to part with certain portions of it if you quit. This is indeed puzzling to hear from the state which signed the Helsinki accord about the inviolability of national frontiers. Let's take the Klaipeda area: it was acknowledged as part of Lithuania in the Treaty of Versailles and in 1939 taken away by Hitler. Can this be a worthy example for emulation by the Soviet Union?

MN: Lately, the West has been increasingly more open in regard to interstate borders.

V.L.: But the East still keeps its borders shut: I think that closed borders are the great secret weapon of the East. Just think of the GDR. What will happen when the East opens up its borders?

MN: When can the talks with Moscow begin?

V.L.: We are prepared to open these at any moment and without any preliminary conditions. We have had pressure brought to bear against us: bring in a moratorium!

This week parliament will meet to discuss this. But how strong is Gorbachev's position at present?

MN: Considering that he proposed that the republics form a union of sovereign states, and suggested that the republican Communist Parties might form a federation, something which was absolutely out of the question even half a year ago, it seems Gorbachev enjoys strong support.

Military Commissariat Appeals to Lithuanians

LD0407151790

[Editorial Report] Vilnius Domestic Service in Russian at 1200 GMT on 4 July carries a five-minute appeal to Lithuanians by Colonel Golubev, republican Military Commissariat Political Department head.

Golubev: "Recently Cepaitis, a Supreme Council deputy, appeared on TV and said that the second stage of the recruitment [to the Soviet Armed Forces] is illegal. Allegedly the military commissariats has no right to carry out this work.

"I would like to make a statement on this. According to the USSR Council of Ministers regulation of 29 March 1990 the recruitment is carried out in April and June and the forwarding of recruits, I repeat forwarding, is carried out until 15 July." Golubev says he is "fed up with manipulations and speculations carried out by correspondents." Therefore he wants to make a clear statement that recruitment is proceeding rather successfully.

He admits that letters to parents were sent on behalf of the republic's military commissariats. The letters "call for consciousness and justice. We can tell that our ideological enemy is preoccupied with its work. We naturally, tell people the truth and we are making efforts to convince them."

Golubev says he is convinced that "justice will be restored, and what is more, by the deputies of the new Lithuanian parliament who at the begining drove the republic into a deadlock. And now they are rejoicing. What are they rejoicing about? Luckily M.S. Gorbachev and N.I. Ryzhkov had mercy on Lithuania. They understand that the people have nothing to do with it. People become victims and hostages of the political arrogance of the new leadership. If the republic leaders continue to instigate people to continue breaking laws which are valid in the USSR, especially concerning the issues of defense, then they can hardly count on success in their upcoming negotiations with Moscow."

He thinks that it would be wise for the government to ask the Lithuanian people for forgiveness for the mistakes they have committed.

Colonel Golubev claims that the military is concerned about "the campaign which has been developing against monuments." This concerns mainly monuments to "servicemen, liberators and their grave stones." "Voices are heard saying that the monument to Lenin and General Chernyakhovsky in Vilnius should be moved elsewhere." Golubev believes this is taking place because the government is not taking the necessary measures against this kind of vandalism.

Speaking on the present legal status of Soviet military commissariats in the republic Colonel Golubev said: "It would be only logical if the Landsbergis' government made a relevant statement in response to the act which was adopted by the government in Moscow which gave consent for the talks. Certainly a number of legal acts should be recinded—legal acts which were in force until 10 March—acts which deal with the defense of our country.

"However, the leaders are not in a hurry to do this and I think they are making a big mistake. I am convinved that M.S. Gorbachev will not go to the negotiating table until these matters are resolved, particularly that which concerns the military defense of the Soviet Union."

He says that although the military commissariats were abolished by the new government the commissariats have been working normally all this time.

In conclusion he calls on people "to choose the main criterion which are indicators of the high morality of a person and his awareness of state responsibility" to show moderation on the issue which will help the upcoming negotiations.

Lithuania Pressured to Broadcast CPSU Congress

LD0307223690 Vilnius International Service in English 2130 GMT 3 Jul 90

[Text] The settlement of economic relations between Lithuania and the Soviet Union takes unexpected turns sometimes. It may have happened that our listeners in North America would not hear the program of Radio Vilnius they are listening to now.

The conflict arose as Lithuanian TV sharply cut down the re-broadcasting time of Soviet television. The opening session of the Soviet Communist Party Congress was not shown in Lithuania either. Today Moscow warned Lithuania that Radio Vilnius broadcasts would not be relayed to North America if Lithuania did not give a few hours report of the party congress. The conflict was settled after Lithuania showed a long report on the congress and Moscow promised to pay extra money for Soviet programs rebroadcast in Lithuania.

Reasons for Expelling U.S. Citizen From Latvia

LD0307191990 Moscow TASS International Service in Russian 1815 GMT 3 Jul 90

[By TASS correspondent Valeriy Zaitsev]

[Text] Riga, 3 July (TASS)—The reasons for which (Ivar Embrects), a citizen of the United States of America, was expelled from the USSR on 19 June were given today to the delegates of the Latvian parliament by General

Edmunds Johansons, the head of the Committee for State Security of the republic.

According to him, this measure was taken at the decision of the consular administration of the USSR Ministry of Foreign Affairs after it was established that (Ivar Embrects) has broken the residential rules for foreigners in the Soviet Union. He changed his place of residence without informing the appropriate organs, and during his work in the Latvian Ministry of Foreign Affairs had

After the appropriate proof was presented to him, (Embrects) agreed with the USSR Ministry of Foreign Affairs decision and requested help with his departure from the Soviet Union, which has been done.

Answering the deputies' request, General Johansons reported that (Ivar Embrects) has no claims against the organs of state security. According to the statement of the republican procuracy's representative, the KGB actions fully conform with the existing laws.

Conflict Over Estonia's Upcoming Veteran Rally

Leaders View 'Reunion'

LD0407220490 Moscow TASS in English 2037 GMT 4 Jul 90

[By TASS correspondents Albert Moloveryan and Aleksandr Kharchenko]

[Text] Tallinn July 5 TASS—The Presidium of the Estonian Supreme Soviet and the republican government have issued statements, saying that the ideology of National Socialism and Fascism are alien to the Estonian people and their propaganda is banned just as the use of the name, symbols and form of the SS.

The demarche was made in connection with the forthcoming "World Reunion of Fighters for the Freedom of Estonia" in Tori, near Pyarnu. The reunion will take place on July 7 and 8 under the motto "Commemorating Those Fallen for the Estonian Republic."

The report that all participants in the so-called liberating struggle, including Estonians who fought with the 20th SS Division and the "Omakaits" punitive units, are invited to the reunion drew a stormy reaction of the public. Protests were issued on behalf of the organisation of the Veterans of the Great Patriotic War, the parliamentary groups; "For Equal Rights, and "Virumaa", the "Communist Group" and other organizations.

The government statement points out that "neither the Red Army of the Soviet Union nor Germany's Wermaht as well as the SS soldiers fought for the future and security of the Estonian Republic and the Estonian people". The statement says that both parties "actually fought for the interests of the great powers and the implementation of their ideologies." Direct participants in this struggle were in their overwhelming majority drawn in it against their own will and became its victims.

The statement by the Presidium of the Estonian Supreme Soviet expresses regret that "tendentious information" about the reunion served as a pretext for "launching a campaign in the union press, creating a false notion not only about the reunion itself but also about Estonia's striving for independence."

The idea to hold the reunion was preceded by the installation of a monument to the Erna espionage and subversive group from the Abwehr-2 and also a brass cross to commemorate the legionary soldiers of the 20th SS Division, who died on September 21, 1944 in the battle with the 249th Estonian Infantry Division.

When information about preparations for the reunion drew a wide public response, its organisers decided to project the planned event as a meeting of all fighters for the freedom of Estonia, irrespective of the flag under which participants fought.

Despite numerous protests and the demands for a ban to the reunion in Tori, the event will nevertheless take place.

Veterans Protest Rally

LD0307132290 Moscow TASS International Service in Russian 1031 GMT 3 Jul 90

[Text] Moscow, 3 Jul (TASS)—In connection with holding a rally of former soldiers with the 20th SS Division and the "Omakaitse" police organization, in Estonia on 7-8 July the All-Union Council of Veterans of War, Labor and the Armed Forces has sent a telegram of protest to the Estonian Soviet Socialist Republic [SSR] chairman and the Estonian SSR Council of Ministers chairman.

It says that the decision which has caused indignation among the country's veterans runs counter to the verdict of the Nuremburg Military Tribunal which declared the SS a criminal organization. This assessment has been confirmed by the United Nations.

Protesting strongly against the forthcoming gathering as a provocative act with neo-fascist leanings, the All-Union Council of Veterans expressed the hope that the Estonian government will give it its due appraisal.

Military Protest Gathering

LD0207185290 Moscow TASS in English 1839 GMT 2 Jul 90

[By TASS correspondent Valeriy Zaytsev]

[Text] Riga July 2 TASS—The commandment [as received] and the military council of the Baltic Military District have sent a message to the leaders of Estonia, describing the gathering of former Nazi collaborators, scheduled for July 7-8 outside the Estonian city of Parnu, as impermissible.

Former soldiers of the 20th SS Division and the Omakaitse police organisation are expected to attend the gathering they call "The Review of Participants in the Liberation War."

The military district leaders note that holding the gathering is a challenge to world public opinion and a desecration of the memory of tens of thousands of civilians and Soviet servicemen who fell to liberate the Estonian land. The gathering will further aggravate the already complex inter-ethnic situation in the region, the message says.

The military council and the personnel of the Baltic Military District, the message stresses, express confidence that the republican leadership will take all necessary steps to avert the gathering of former fascists.

Government Statement Issued

LD0307121790 Tallinn Domestic Service in Estonian 1700 GMT 2 Jul 90

[Estonian government statement—read by announcer]

[Text] Numerous inquiries have been received by the Estonian government with respect to the War of Independence Fighters' reunion which has been announced as taking place at Tori, in Parnu district, under the motto: In memory of those who fell for the Republic of Estonia.

During the past few years, several international days have been celebrated in memory of those who fell at all the fronts of World War II, and these, for example, have included a joint French-German ceremony. Forgetting hatred is correct, and reunions of former fighters must proceed precisely from this humane principle. It is clear that the Estonian soldiers [words indistinct] of the Soviet Red Army nor those the German Wermacht who perished, fought neither for Republic of Estonia nor for the future or preservation of the Estonian people. In fact, they both fought for great-power interests and for the implementation of the great-power ideology, which were being defended by both major armies. By an overwhelming majority, they had been involved in the [word indistinct] of World War II against their will, and we all have become victims. For this reason, let us remember all the victims, but let us not forget that many of those soldiers were indeed forced to serve in the army the policy and leadership of which have been recognized as war criminals by peoples' courts. Let us not forget, either, that in the destruction of the Baltic states' independence both parties to the treaty are equally to blame, having signed the shameful Molotov-Ribbentrop secret protocol of 23 August 1939, and with both parties ending the destruction of republic of Poland with joint parades.

It will be very easy to use the reunion at Tori with antirestoration-of-Estonian-independence aims. The government states that this is what has begun in an intensive way, with attempts to cast doubts on Estonian freedom endeavors in the eyes of the public at large, both in the Soviet Union as well as internationally by painting pictures of Estonia and other Baltic republics as being oriented toward the past and as a society of extremists of both kinds.

In connection with this, the government of Republic of Estonia declares: In accordance with the principles cited in international legal acts and the valid criminal legislation, any kind of propaganda for national socialism and fascism, and the use of the name, uniform, and symbols of the SS as a organization recognized at Nuremberg to be of a criminal kind are forbidden. The government hopes that the reunion organizers and participants understand the full responsibility they bear before the Estonian people and that they will not allow this event to be used for aims contrary to the peaceful work to restore Estonian independence and the security of our own people.

The government emphasizes that any kind of unlawful activity—and that includes activity contrary to international law—in conection with the planned reunion will be dealt with in accordance with existing legislation, with the full severity of the law. The Ministry of Internal Affairs of the Republic of Estonia has been charged with the task of insuring the necessary public order. The government announces that it has addressed the USSR Ministry of Internal Affairs a telegram according to which—in connection with this event—the Republic of Estonia will not be requiring assistance to insure order and lawfulness, and interference of any kind on the part of internal forces will only have the effect of exacerbating tensions irresponsibly.

The government addresses inhabitants, the local government bodies of Parnu District, and all the inhabitants of Estonia with an appeal to assist in preventing possible provocations in connection with the reunion planned at Tori.

[Signed] Edgar Sivisaar, chairman of the government of the Republic of Estonia. Tallinn, 2 July 1990.

Estonian Leaders Explain Independence Needs

PM0307154390 Helsinki HUFVUDSTADSBLADET in Swedish 30 Jun 90 p 3

[Mika Kosunen report: "Edgar Savisaar: What Is Moscow Really After?"]

[Text] Kotka—Estonian Prime Minister Edgar Savisaar does not think that Lithuania can freeze its declaration of independence dating from early March.

"In the present situation that is impossible," he said.

"Moscow is demanding concrete steps by Lithuania and the other Baltic states, but the information about what steps Moscow is taking is very unclear," said Savisaar, who yesterday addressed the "New Hansa" seminar in Kotka.

According to Savisaar, at present it is unclear what Moscow intends with negotiations and what it is striving for.

Lithuanian President Vytautas Landsbergis proposed yesterday that the declaration of independence be frozen for 100 days.

Edgar Savisaar was also puzzled why the CSCE conference on human rights in Copenhagen had made no mention at all of the situation in the Baltic region in its final communique.

The Baltic states have appealed to the CSCE nations to be allowed to participate in the CSCE process, but they are still outside knocking on the door.

"The question is whether the 33 [as published] CSCE nations want to declare an end to World War II or not," Estonian Prime Minister Edgar Savisaar said.

However, he said that he understands why the CSCE nations are hesitant.

"It is to do with the consensus principle of the CSCE process."

Estonian Foreign Minister Lennart Meri supports Savisaar's line of argument.

"For the Baltic states World War II has never ended. And as long as three European states are illegally occupied, contrary to all international agreements, democratic principles, and values, the war is not over for the rest of Europe either."

Yesterday evening the newly founded council of the Baltic states met in Tallinn to agree on a common line vis-a-vis Moscow. No great changes in tactics are to be expected.

"We will change our tactics if Moscow changes its tactics," Prime Minister Savisaar said.

As far as the economy is concerned Savisaar said that it must be developed into a market economy. A privatization program has been drafted and next week the state-owned taxi cabs in Estonia will probably pass into private ownership.

"I have often been asked whether the economic blockade of Lithuania has also been reflected in Estonia," Edgar Savisaar said.

"Sometimes a train with a delivery of goods fails to turn up, or a delivery of gasoline never arrives. It is difficult to say whether this is a sign of a blockade or of the Soviet Union's serious economic crisis. I think it is the latter."

Savisaar said that the opponents of an independent Estonia claim that the country would be unable to survive economically.

"It is true," he said, "that Estonia does not have natural resources such as oil and metal ores, but neither does independent Denmark, for example."

It is also true that Estonian production, as long as it is on the Soviet model, is not competitive in the West.

"What Estonia has or does not have is not an argument against an independent Estonia," Savisaar said.

Nor is the country's size small.

"If the size of a territory is a requirement for independence, how is it possible to defend the right of Denmark, Belgium, the Netherlands, or Switzerland right to be independent states in Europe? They are all smaller than Estonia."

Savisaar said that the only way for Estonia to get out of the present situation is to turn its face to the world, and this it can only do through independence.

"But I want to point out that this does not mean that Estonia is turning its back on the Soviet Union."

According to Savisaar, Estonian cooperation with the rest of the world will be directed toward a future united Europe. Time will tell whether this takes place through new economic alliances or directly.

"It depends to a great extent on Sweden and Finland whether we will be able to speak in the future of a 'Baltic-Scandinavian phenomenon,' that is, economic cooperation among the countries around the Baltic Sea."

According to Savisaar, another alternative is the route through central Europe.

Foreign Minister Lennart Meri said that Estonian foreign policy rests on East-West relations.

"But Estonia has traditionally had close cooperation with the Nordic countries. Estonia is a part of 'Baltoscandinavia,' an area which spreads out toward central Europe," Meri said.

Estonia's Miller on USSR Freezing Funds

LD2906085990 Tallinn Estonian Television Network in Estonian 1800 GMT 25 Jun 90

[Interview with Estonian Finance Minister Rein Miller by correspondent Ain Barbo during intermission in Estonian Supreme Soviet session in Tallinn on 25 June—live or recorded]

[Excerpt] [passage omitted] [Barbo] What is the relationship with the Union budget?

[Miller] The relationship with the Union budget has been rigid for us from the beginning of the year. We have not transferred a kopeck from the Union tax, which according to calculations amounts to 340 million rubles. At the same time the USSR Finance Ministry has frozen the sums which are due to us, and which for the first time also include what is to be financed from the USSR

budget, for example, the issue of price differences for collective fishing farms and fishery combines has been frozen since 15 June. This will cost the republic about 25 million rubles in a yearly calculation. [passage omitted]

Baltic Council Issues Declaration on Independence

LD0407223190 Vilnius Domestic Service in Russian 1920 GMT 4 Jul 90

[Text] ELTA published today a declaration of the Baltic Council on state independence. The declaration states: The Council of the Baltic States holds that the periods and stages of the complete restoration of factual independence of Estonian, Latvia, and Lithuania, bearing in mind the founding significance of the constitutions which were in force before the occupation of these countries in June 1940, should be immediately examined within the framework of inter-state joint negotiations between the interested countries. The Council of the Baltic States deems it expedient to apply to international organizations and individual countries in Europe, including the Nordic Council and its members, for benevolent mediation in the organization of the negotiations aimed at the complete restoration of de facto independence of the Estonian, Latvian, and Lithuanian republics and the elimination of the consequences of the Second World War in Northeastern Europe.

The declaration was signed by the chairmen of the Supreme Councils of Estonia, Latvia and Lithuania.

RSFSR

Coverage of 3-5 Jul RSFSR Supreme Soviet

Government Structure Discussed

LD0507060990

[Editorial Report] Moscow Domestic Service in Russian at 0510 GMT on 5 July broadcasts a 7-minute report by correspondent Olga Vasilenko from the House of Soviets of the Russian Soviet Federated Socialist Republic, where this morning's Supreme Soviet session is about to begin.

She notes that this morning the formation of the government will be discussed, and that Ivan Stepanovich Silayev will deliver a report on that. She says that she has a "model of that structure" before her and notes that "incidentally, there are many new such names, which have not yet been used in our administrative and bureaucratic lexicon."

"Just look at the kinds of names we have, for instance. Minister on nationalities issues; minister of links with public and religious organizations; Committee and Anti-Monopoly Policy for the Protection of the Consumer; Committee for the Support of New Economic Structures; and so forth. And what is characteristic is that the quantity of republican ministries, committees, and departments is being reduced from 51 to 28," she says. She goes on to say that eight new ministries are being created.

Vasilenko then says that the number of people working in these departments are being reduced from 20,000 to 10,000.

"There are many problems here. These are real people. But on that, well, we are saving money—from 117 million rubles [R] to R62 million," she says.

Vasilenko goes on to interview Mikhail Dmitriyevich Maleyev, a Supreme Soviet delegate and member of the committee involved with these matters. He points out that "the presence of new committees and ministries is evoked by the demands of the times." He goes on to stress the importance of the economy for the government.

Speaking of the people who will be released from the Council of Ministers apparatus, Malayev says that there are jobs available in the rayons soviets for them. "There is no catastrophe here. Moscow has already seen such reductions. Ministries have been cut back four times already, and the figures are similar," he says.

Malayev goes on to say that "Ivan Stepanovich is changing the composition of many old ministries. And just as with Boris Nikolayevich Yeltsin, 90 percent of them will be new people." He stresses the need to appoint "mature" people who will be able to learn quickly. In conclusion, Malayev reiterates his support for Silayev.

In conclusion, Vasilenko promises further reports from the House of Soviets throughout the day.

Silayev Addresses Session

LD0507094190

[Editorial Report] Moscow Domestic Service in Russian at 0800 GMT on 5 July broadcasts a three-minute report by correspondent Olga Vasilenko from this morning's session of the Russian Soviet Federated Socialist Republic, RSFSR, Supreme Soviet. Vasilenko says that "a final decision has been adopted to relay—in the evening, of course—the session's joint sittings on both radio and television." Separate sittings of the chambers and those of the committees and commissions would be covered by brief reports.

According to Vasilenko, RSFSR head of government Silayev presented a report on the structure of the Council of Ministers which was followed by questions from deputies. It was asked whether the ministries had not been cut too much. How, for example, were problems of road building and machine building to be dealt with, the deputies were said to have asked.

Vasilenko reports that Silayev said the appropriate organizations "should be free and operate on a horizontal basis but with the support of the Ministry of Industry".

There had been complaints that there would be no ministry for the bread-baking industry or Ministry of Communications, according to Vasilenko.

Yeltsin Chairs 4 Jul Session

LD0407184990

[Editorial Report] Moscow Television Service in Russian at 1731 GMT on 4 July begins broadcasting a recording of the RSFSR, Russian Soviet Federated Socialist Republic, Supreme Soviet session held on 4 July in the Kremlin.

Boris Yeltsin is chairing this session. Deputies are shown registering and Yeltsin says there is quorum. The membership of the Committee on Social Development of Rural Areas has not yet been settled, says Yeltsin. Albert Kamenev is invited to speak.

At 1732 GMT Kamenev speaks about his career and his progressive ideas on agriculture. He withdraws is candidature for the chairmanship of the committee but agrees to be a member of the committee. He says that agrarians do not accept Altukhov's candidature because the latter seems to be incompetent. V.A. Agafonov should be nominated instead, who is chairman of the Chuvash Autonomous Soviet Socialist Republic Agroprom.

At 1742 GMT Altukhov is given the floor. He withdraws his candidature for the chairmanship, too.

At 1744 GMT Agafonov takes the floor. He describes his career and sets out his views on how to improve agriculture. Peasants should be given a free hand in choosing forms of farming and assisted with investments, he says.

At 1748 GMT questioning from the floor of Agafonov begins. Industry should be involved in assisting agriculture, Agafonov says. The currency spent on purchasing grain abroad should be used for developing agriculture in the country.

At 1755 GMT comments from the floor on the committee's composition are heard. Agafonov has not worked a single day in practical agriculture, and thus he cannot be the chairman, says an unidentified deputy. Another deputy praises Agafonov for fighting soil erosion in Chuvash Autonomous Soviet Socialist Republic. A deputy speaks in favor of Kamenev's candidacy. Yeltsin says that Silayev intends to invite Kamenev to the Council of Ministers. Deputy Nazarchuk supports Agafonov. Deputy Goryachev says he supports Agafonov. Chuvash chairman of the Council of Ministers praises Agafonov.

At 1808 GMT voting on the committee's composition is held. The composition, with Agafonov as chairman, is confirmed.

At 1809 GMT Yeltsin suggests that work should be continued in committees now and to listen to Silayev's report tomorrow.

The recorded relay ends at 1810 GMT.

Committe Compostion Viewed

LD0307210290

[Editorial Report] Moscow Television Service in Russian at 1800 GMT on 3 July begins broadcasting a recording of the RSFSR, Russian Soviet Federated Socialist Republic, Supreme Soviet session held on 3 July in the Kremlin. Boris Yeltsin is chairing the session.

Yeltsin begins by discussing the agenda. He says that the first task is to set up committees, which will then begin to work on forming the Council of Ministers. Yeltsin says that the Supreme Soviet delegates must decide on how much of the session to broadcast. Each hour costs 85 thousand rubles, and they have been allocated 16 million rubles. Yeltsin proposes selective reportage. The deputies concur.

At 1807 GMT Yeltsin outlines proposals which have been made for setting up the Supreme Soviet committees. Various deputies ask questions and prsent proposals regarding the procedure for this.

At 1845 GMT the candidate chairman of the following committees begin to take the floor to present their proposed composition of the committees' membership as well as themselves as chairmen for confirmation by the Supreme Soviet. The candidate chairmen and proposed compositions of the following committees are all confirmed by the Supreme Soviet:

1. Committee for Legislation
2. Committee on Economic Reform and Ownership
3. Committee for Regional Policy
4. Committee for Local Government
5. Committee for Industry and Power
6. Committee on Construction and Architecture
7. Committee on Health, Social Security, and Physical Culture
8. Committee on Affairs of Veterans and Invalids
9. Committee for Women, Maternity, and Children
10. Committee for Youth
11. Committee on Ecology and Rational Use of Natural Resources
12. Committee for International Affairs and Foreign Economic Relations
13. Committee for Human Rights
14. Committee on Law and Order
15. Committee for Mass Media and Mass Movements
16. Committee for Freedom and Conscience and Charities

At 1938 GMT two committees remain: that of education and of agriculture. There is a difference of opinion regarding the chairmanships of these committees.

Discussion take place on the vices and virtues of the different candidates for these posts. Kanenev, a candidate for the Committee of Agriculture, is accused of being "cool" toward reform in the countryside.

At 1952 GMT Yeltsin proposes that the deputy chairman of the Supreme Soviet talk to the various

candidates after the session and resolve the matter on 4 July prior to the Council of Ministers' report.

At 1954 GMT an unidentified deputy complains of difficulties that people are experiencing in entering the Rossiya hotel as a result of security arrangements.

The recording concludes at 1956 GMT.

TASS Reports Reports 3 Jul Opening Session

LD0307171590 Moscow TASS International Service in Russian 1525 GMT 3 Jul 90

[Text] Moscow, 3 July (TASS)—TASS parliamentary correspondent Dmitiry Polunin reports from the House of Soviets of the Russian Soviet Federated Socialist Republic [RSFSR]:

The first session of the Supreme Soviet of the Russian Federation opened today in Moscow. It is planned to last 10 days. Deputies are to confirm the composition of the new Council of Ministers of the Russisn Federation.

Parliamentarians began today's morning session of the RSFSR Supreme Soviet by discussing the matter of television coverage of the parliament's work. As Boris Yeltsin, chairman of the Supreme Soviet of the Russian Federation, informed deputies, the State Committee for Television and Radio Broadcasting of the USSR has already presented a bill to the Russian parliament for 16 million rubles for the full relay of the sittings of the first Congress of People's Deputies of the RSFSR. Deputies have decided to reject full television relays of the session's sittings and to limit themselves to the showing of television reports on its work.

Parliamentarians devoted the whole of the rest of the work of today's session to discussion and election of members of the committees of the RSFSR Supreme Soviet. The 18 joint committees set up earlier by both chambers of the republic's parliament will be engaged in drawing up new draft laws, in issues of economic reform and ownership, and in problems of relations between republics and regional policy. They will also be responsible for matters of the work of soviets of various levels, for the development of local self management, and for problems of defending human rights, and the activity of the mass media.

'Shopping Identification Cards' Introduced

LD0207194390 Moscow Domestic Service in Russian 1800 GMT 2 Jun 90

[Text] And so shopping identification cards [torgovyye vizitnyye kartochki] are being introduced in the capital. All Muscovites and oblast residents of 14 years and above will get them. It is noteworthy that this joint decision by the Moscow city executive committee and the Moscow oblast executive committee did not have total support at the Moscow Soviet session, which continued on 2 July, but it was not rejected either.

When discussing the concept for the development of the city's trading, the session instructed the Moscow soviet executive committee to work out a program to improve commercial service on the basis of market economy principles, and primarily by means of the decentralization, denationalization, and demonopolization of the consumer market for goods and services. All wholesale and retail trading, public catering, consumer services, and hotel enterprises are to acquire full economic independence in the near future, if of course the collectives themselves so wish. At the same time, the development of an infrastructure is envisaged for an alternative state trading system. The choice is quite wide here. For example, it will be possible to buy a shop for ready cash, transfer to leasing relations, or establish a joint stock company. with the aim of the social protection of the population, it is proposed that for a transitional period the new forms of organizing trade will be combined with a rationed distribution of basic goods at fixed state prices in the form of, shall we say, coupons, Moscow currency, cheques or identification cards.

Journalists asked Kornaukhov, acting deputy chairman of the city executive committee, to explain the current trading situation. He replied that the passport system is the first step for settling the consumer market. It has helped stabilize the situation. All basic products, especially meat, are on the shop shelves now, although the daily sale of meat products has decreased from 4,500 to 3,500 tonnes. It has been possible to do something that appears improbable and that none of the 18 neighboring oblasts—with whose representatives we have entered into talks—can believe. Moscow has begun to transfer to them stocks of meat products and animal fat. We now have total accord with these oblasts, especially since for a long time they have not received such significant supplements to their consumption. It was decided to continue the work. Thus, we came to the idea of organizing trade according to identification cards. The point is that the passport system has caused a great deal of inconvenience. Certificates and reference documents have come into circulation alongside passports. Identification cards wil make it possible to standardize forms of trading and, for the introductory period, both passports and the new type of documents may be used while shopping.

Moscow Soviet Chairman Popov Interviewed

PM0207104190 Moscow IZVESTIYA in Russian 29 Jun 90 Morning Edition p 3

[Interview with Moscow City Soviet Chairman Gavriil Popov by IZVESTIYA observer and Moscow Soviet People's Deputy Valeriy Vyzhutovich: "Taste of Power"]

[Excerpts] [passage omitted] [Popov] Moscow is not an island. The same processes are under way there as throughout the country. Hence it would be logical to begin by describing the sociopolitical situation within the Union.

[Vyzhutovich] What do you think of it?

[Popov] It is extreme. We're talking about a crisis—economic, political, and social. This is the end of a 70-year experiment which essentially boiled down to an attempt to establish a new system wilfully, outstripping the development of productive forces, violating fundamental Marxist ideas, and without considering the opinion of outstanding Marxists like Plekhanov. This was a totally utopian attempt. No one doubts the sincerity of most revolutionaries of the Lenin draft, no one doubts the fact that there were the preconditions early this century for movement along the socialist path, but the real practical work during the first years of the revolution showed that the attempts were premature and hence the chosen path could only lead to bloody violence inflicted by the minority on the majority.

Now a word about what we have to do. We must do what Marxism requires, strange as this may seem—bring production relations into line with productive forces and return to mainline civilization. In the economy this means guaranteeing pluralism of forms of ownership, including to some extent state ownership. For us this means in practice denationalizing the entire economy. No one in the world has yet tackled such a task, on such a scale, with such a legacy.

As for politics, we must switch from a CPSU monopoly to a democratic system. This task is relatively simpler, there is world experience of this.

We also have a third problem. Namely the problem of overcoming the diktat of a state in which the unity of the people was guaranteed by the presence of a single party, while the party's national subunits were only executive links in the overall mechanism. We need to switch to a union of autonomous states that decide for themselves how necessary unification is, and in what forms.

[Vyzhutovich] For some reason some people are now pinning great hopes on the coming CPSU congress, expecting it to be a radical turning point in the course of perestroyka.

[Popov] I think we should have no illusions on this score. It was not the party that initiated perestroyka, much less the party apparatus, but some of the top CPSU leadership—the best-informed, most far-sighted and, which is equally important, the youngest politicians. As far as the congress is concerned, I do not think that its role in the country's life should be exaggerated. If the CPSU were the sole entity controlling the destiny of perestroyka—as was the case five years ago—the congress would play a tremendous role. But now the situation is quite different. The fate of perestroyka is being determined by the logic of history which no one will countermand. And the coming party congress is important above all for the future of the CPSU itself. People are talking about what the party will be like. Will it be able to transform itself so as to remain one of the organizers of the movement? That is the first option. Second: Will it be able to transform itself so as to remain a full participant in perestroyka? Or, on the contrary, is it organizing itself into a force that champions the reactionary models for our renewal? The RSFSR [Russian Soviet Federated Socialist Republic] Communist Party Congress has just demonstrated an attempt of this kind. People who forgot Russia for decades and turned it into a base for imperial traditions and diktat over other peoples displayed zealous concern for Russia and its interests. I cannot believe that they are worried about the future of Russia. When a raykom or obkom [rayon and oblast party committee] secretary speaks and begins to pour out his "anxiety" for the Russian peasantry, I remember the years that this man has spent carving a career for himself in the party by leading kolkhozes and sovkhozes [collective and state farms].

I think that discussions of this kind are discussions about a new banner around which to organize the conservative forces within the party apparatus. The Peasant Union Constituent Congress clearly pursued the same task. What does this union have to do with peasants? There was no talk of peasants, if we are being serious, but about socialist landowners in the shape of kolkhoz chairmen and sovkhoz directors who are perfectly well aware of two things—their inability to solve agrarian problems and the fact that the new system will be more effective than the current system, but there will be no room for them there.

Lastly there is one more conservative force—Army representatives, one of whom, General Makashov, voiced his opinion with supreme frankness at the RSFSR Communist Party Congress. The question is: What is the main thing for the Army? If General Makashov were thinking about defending the country, he would think about the need to have a flourishing economy and a well-fed, healthy people whose young people would not be rejected by military commissariats owing to their poor physical condition. [passage omitted]

[Vyzhutovich]) How are your relations developing with the Moscow party gorkom [city party committee] leadership?

[Popov] We are seeking consensus and, as you know, we frequently find it. The Moscow Gorkom reflects the center's position, it is close to me. Conservatives do not need the center. They are prepared to replace it without the slightest hesitation. At the RSFSR Communist Party Congress they also indicated unequivocally that they would never forgive the center. Yet left-wing radicals need the center. Because they are not yet ready to really exercise power, even with their majority. I realized this by looking at the new Moscow Soviet. The actual composition of the Moscow Soviet and the majority within it—the creative and scientific-technical intelligentsia—illustrate that the apparatus is not their realm of activity. Many people only went into politics because they weren't being allowed to work normally in the economy, culture, and business...

The gorkom is not interfering directly in the Moscow Soviet's actions, it has factions through which it can exert influence. The gorkom does, of course, have far more opportunities to influence the capital's policy, but I think that the gorkom is behaving the same with us as we are with the ispolkom [executive committee]. It wants to see how things develop.

We have a realistic idea of the nature of the party gorkom and are aware of the Moscow party organization's role and significance. We do have major conflicts with the Moscow party organization over party property, the mass media, and so on. We have to seek compromises and I think the gorkom could be more flexible here. Clearly, a building must be found for the Moscow Soviet. What's the point of looking for premises if the gorkom could share its own? We must raise the question of CPSU, trade union, and Komsomol [All-Union Lenin Communist Youth League] property... What is more, there are, for instance, documents showing that particular gorispolkom [city soviet executive committee] buildings were handed over in a particular a year to various party bodies. Therefore, I think what is now party property to a certain extent belongs to all society. It must be the material base for the formation of new soviets and of the entire multiparty system, just as state property is the source of all types of property that are destined to develop within our economy.

[Vyzhutovich] "Democratic Russia" is the largest bloc within the Moscow Soviet. I think it is a good thing that this bloc's deputies have, after a long debate, rejected the model for transformations whereby the old apparatus has to be destroyed once they have taken power. I am referring to the ispolkom apparatus.

[Popov] This was the first compromise that the radicals made. We are not about to oppress anyone. We do not have an overwhelming majority. The Moscow Soviet is organized on democratic principles, as is its presidium. As for the ispolkom, its personnel have been given the chance to prove their worth in the new conditions.

[Vyzhutovich] It looks as though there has been no change in the ispolkom apparatus.

[Popov] No. That is, it is changing, but we gave it the chance of changing on its own. We said: Act and make decisions. If you think that your current staff are unsuitable, change them. But you also have to understand apparatchiks. Half of the ispolkom used to be formed by the party gorkom. They are now making their own changes there, and I am not interfering.

The executive should not be regarded as a servant to fetch and carry. It represents authority. It may be executive authority, but it is still authority! Admittedly, I noticed that Moscow Soviet commissions are beginning to issue directives to the relevant ispolkom services. They have joined in this game with delight: They have gotten accustomed to living like this. They have gotten accustomed to preparing documents, scurrying off to the gorkom and getting the "go ahead" there, and then calmly having nothing to answer for. If we take this road now, if a Moscow Soviet transport commission—with which the corresponding service coordinates everything—replaces the party gorkom transport department, we would share the CPSU's fate. In exactly two years' time there will be no Moscow Soviet document left without deputies' ratification... We have to find the difficult dividing line where we can, on the one hand, issue the ispolkom with orders on behalf of Moscow's residents, keep it in check, and at the same time leave it with power to answer for its actions. But many deputies are now running up to us with the following complaint: Such-and-such an administration boss is not listening to us. I tell them that's a good thing. It means that he wants to make his own decisions. If it works out, we heap him with praise, if not, we may punish him, but at any rate he has to make his own decisions and answer for them.

What has Moscow's approach been to shaping the new authority? It consisted in ensuring that the radicals suggest compromises once they have gained the edge in the organ of power and enable other parts of the state machine to move on to real perestroyka. This is a difficult process, but I see real prospects in it. Russian deputies are now trying to do the same thing. I think that Yeltsin's election was the result of this strategy. [passage omitted].

[Vyzhutovich] During our deputies' debates people are suggesting making Moscow a free [trade] zone. What do you think of this idea?

[Popov] There will not be a free trade zone in Moscow. No country in the world has succeeded in making its capital a free trade zone. Some compromise must be sought. For instance, make one or two of Moscow's satellite cities free trade zones. I went out to Zelenograd and spoke to comrades, and got the impression that Zelenograd could be an industrial park [tekhnopolis] with zone status. People are thinking about Chernogolovka and about setting up a specialized free trade zone in the Sheremetyevo area. [passage omitted].

Leningrad Extraordinary Party Conference Held

PM0307094590 Moscow IZVESTIYA in Russian 30 Jun 90 Morning Edition p 1

[Own correspondent V. Nevelskiy report: "Being Realistic"]

[Text] Leningrad—An extraordinary Leningrad party conference has been held.

Its delegates discussed the results of the second stage of the RSFSR [Russian Soviet Federated Socialist Republic] Communist Party Constituent Congress and the course of preparations for the 28th CPSU Congress.

Diametrically opposed points of view were expressed at the conference—from complete approval of the results of the Constituent Congress to persistent calls to consider this congress, which has created a tense atmosphere in

the party, as being null and void. Ultimately the opinion regarding the need to take account of the actual situation prevailed. The adopted resolution notes that the holding of the RSFSR Communist Party Constituent Congress at a critical time for the party reflects the wishes of Russia's communists.

The conference called on the communists of the city and oblast to refrain from steps which would weaken the Leningrad delegation's position at the CPSU Congress and the second stage of the Constituent Congress. The Leningrad delegates to the forthcoming forum of the country's communists were instructed to promote in every possible way its constructive work and the maintenance of party unity.

The conference ratified the candidates for CPSU and RSFSR Communist Party leadership organs nominated by city, rayon, and primary party organizations.

Implications of Forming Russian Party Viewed

PM0407134390 Moscow PRAVDA in Russian 2 Jul 90 Second Edition p 2

[Article by O. Lobov, secretary of the Armenian Communist Party Central Committee: "I Believe in Democracy"]

[Text] And so, on the threshold of the 28th CPSU Congress, the Constituent Congress of Russian Communists has formed the RSFSR [Russian Soviet Federated Socialist Republic] Communist Party. An unusual event, there's no denying it. The consequences may be extremely serious. The congress gave rise to a great deal of questions, primarily about mutual relations with communist parties of other Union republics and about the role of Russian communists in the life of the CPSU. I would like to reflect on this before the beginning of the extensive discussion in the Kremlin Palace of Congresses.

Who, or which specific sociopolitical force will take on itself the difficult burden of being consolidator of a multifaceted, multinational society? Will it not happen, as some people have predicted, that with the formation of a Russian Communist Party, communists will drift off to their national quarters, the crisis in the Union republics' trust in the center will be exacerbated, and interrepublic ties will weaken even more?

In the final analysis it is a question of whether there should be a single CPSU, and whether the USSR should exist. Both the Congress of Russian People's Deputies and the congress of Russian communists stated clearly in their addresses and in the documents adopted: They should exist! It would seem there is no doubt about it. However, the feeling of unease is not going away, and it was provoked by the course of the Russian party congress itself. None of the speakers even tried to present a picture of the way the CPSU should work in the new conditions, for example. Admittedly the congress stressed that the RSFSR Communist Party is not claiming a special role in the CPSU.

It will be pleasant for all to hear that the equal rights of all Union republic communist parties were stressed. But on the other hand, let's be straight—do equal rights always go with equal opportunities? Does the Lithuanian Communist party on the CPSU platform really have the same possibilities as the Russian Communist Party? And on the other hand, can you ignore the factor of a 60 million-strong Russian-speaking population outside the borders of Russia? Everything points to the fact that the Russian Communist Party will necessarily have a special role in the CPSU. And it will consist in promoting the cohesion of fraternal parties, achieving political consensus, and strengthening both diverse mutual ties on the basis of recognition that central CPSU organs have special powers, and also direct ties and contacts of a long-term nature.

If we make an analogy in names, then we have something like the largest party in a kind of Sovintern [Soviet International]. And indeed, as the largest detachment in the CPSU, the RSFSR Communist Party will be the owner of most of the Union party's material base and will publish periodicals and newspapers in significantly larger volumes than the majority of Union republic communist parties are able to do. It is Russia that is most probably able, to a greater degree than other republics, to train party cadres, including by agreement with republics or other national-territorial units.

But all this does not mean that the role of communist parties of other republics will be decreased. On the contrary, each of them must play its own special role within the renewed CPSU more actively. Will we not be in a better position if one of the various republic communist parties can elaborate and start implementing an efficient system for the transition to a regulated market economy earlier than the others? Or if one of them is the first to start using a mechanism for political cooperation with other parties and social formations in order to work out, for instance, the best parliamentary decisions? In a word, there is plenty here for the party theoreticians to make predictions about. And the earlier, the better. Otherwise the same thing will happen as in the past: acting first and thinking later.

A second group of questions. What, incidentally, will the center do in the face of growing isolationism and ultrasovereignty on the part of republics and their communist parties? I am far from thinking that the center is totally unnecessary. Eliminating it would lead to innumerable losses and difficulties. But it is unnecessary in its previous form, and even in its present form. That is clear to everyone. So what is to be done?

To my mind, the activity of central organs should not be based on diktat of power but on the power of intellect, competence, and morality. Our comrades in all republic communist parties should really, in reality, perceive the need for central organs and believe in the leaders.

Without this, perestroyka in society will falter even more. Moreover, a real danger of moving backwards and returning to a totalitarian regime will appear.

Delegates' speeches at the Russian congress—which I think will also be the case at the CPSU congress—frequently raised the question of the adequate representation of workers and peasants in the party's leading organs. There is no point in hiding it, the alienation of the party leadership from the working class has been brewing for a long time. On the other hand, the "selection" into the organs of power of "white-collar workers" from among the workers seriously undermined the people's faith in the necessity for workers to participate in governing the state. The workers can frequently be heard to say: We will not vote for our man—he can do nothing for us.

The danger of these extremes is obvious. Natural selection from among the real leaders of labor collectives is needed not in order to block the desire of certain circles to create a party exclusively made up of workers, but for action.

The question is to work out an appropriate mechanism for the selection of worthy candidacies and for elections. It is quite possible that at the current phase of party building there is no avoiding establishing an agreed quota for individual categories of communists. It stands to reason that we are not talking about formal representation, but about the creation of a mechanism for the protection of the rights of specific strata. The alienation of various groups of communists from the administration and from participation in the adoption of decisions will have most negative consequences for the party.

The third group of questions concerns the processes of democratization, openness, and glasnost in the party's activity. It is "convenient" for some people to treat the processes of democratization as a "deviation from principles," the "erosion of basics," and so on. I am categorically opposed to preserving the military-style nature of political organizations. Today this is not only impossible; there is simply no future in it. There is no need to look for enemies where there are none.

Meanwhile, stances like "decisively reject...," "every kind of support...," "rigidly defend...," and "consistently struggle for," which are to be found in the documents of the first phase of the Russian congress, put us on our guard. To be honest, I have gained the impression that a significant section of the delegates are convinced that even the transition to the market economy amid constitutionally strengthened political pluralism will be something like a transitional period on the way to the next "triumph of unshakable principles." This is a dangerous delusion. For Russia this is simply inadmissible, since the social democratic and communist movements are organically interwoven into our national history, and any underestimation or overestimation of the possibilities here is fraught with implications, as the saying goes. Existing differences of opinion, to my mind, must not become a reason for a split in the party. Today, more than ever before, it has become vitally important to separate the wheat from the chaff in order to genuinely preserve and develop the humanitarian and social ideals of the communist philosophy in Russia and in the country as a whole.

Therefore, my motto is "Don't panic." We must not shout "Fire, fire!" or spark off a stampede; we must calmly and decisively try and put the fire out. When it comes to "unpopular measures," we must not organize didactic discussions among the people. When it comes to national conflicts, we must not leave events to the mercy of fate. When it comes to the Army, for instance, instead of discussions about professionalization, it is better to think about and gradually resolve even the most pressing problems and only then discuss the Army's constitutional duty and structure.... There is no other way. Man is accustomed to believing in results, not in the continuation of an endless struggle against the old and for a better new.

The Russian congress has not concluded its work. Discussions will be continued. The path that the Russian Communist Party will take depends to a decisive degree, one might say, on the 28th CPSU Congress that is opening. I hope and believe that it will be democratic. And then our party will become an example for everyone and a truly consolidating force.

Russian Line on Economic Reform Viewed

PM0407153090 Moscow IZVESTIYA in Russian 2 Jul 90 Morning Edition p 1

[M. Berger article under the rubric "On the Topic of the Day": "The Russian Version of Reform"]

[Text] Basically it was something of an ultimatum. At a press conference on 26 June, B. Yeltsin was asked this question: Will autonomy for the Russian Gosbank [State Bank] and other measures in the sphere of monetary policy stemming from the RSFSR [Russian Soviet Federated Socialist Republic] Congress of People's Deputies decision on the demarcation of administrative functions on the republic's territory lead to the disintegration of the unionwide market and the further weakening of the ruble? Answering this question, the Supreme Soviet chairman said, among other things, that there is a program for stabilization of the ruble and that there is in general a great Russian program for the entire Union. If this is adopted and all the republics are brought in (of their own free will, of course) then everything will be fine and there is no threat to the ruble. But if the Russian version of reform is not adopted, the republic will be forced into the extreme measure of its own money, although that is highly undesirable.

Be that as it may, the resolve of the Russian parliamentarians, who have adopted a series of very radical decisions in the economic sphere in a short space of time (first and foremost the resolution on the demarcation of

management functions), is a reaction to the slowness of the Union government and the inconsistency and virtually zero effectiveness of its efforts to stabilize the economy and develop the reform. While the question of whether to free the Gosbank from government jurisdiction is being debated at Union level, the Russian congress adopts the decision to set up an independent RSFSR Gosbank. While the Union government is instructing a specially formed commission, headed by the Gosplan [State Planning Committee] chairman to prepare a draft program for the formation of the structure and mechanism of a regulated market economy, in Russia, it emerges from B. Yeltsin's statement at the press conference, they want to do away with that organ entirely, clearly realizing that a full-blown market and a full-blown Gosplan are simply incompatible things.

Let me note, incidentally, that the government, with admirable constancy, is entrusting the USSR Gosplan with the formulation of the "instruments" for implementation of an economic reform which, if it succeeds, will in theory make centralized planning, and the corresponding organ, unnecessary. First, in the first stage of the reform, a commission to improve the economic mechanism was set up under the Gosplan. I think that objectively, irrespective of the personal qualities of the people concerned, this commission could not have preferred the interests of reform and economic decentralization to the interests of its own department.

In January of last year it was decided to release the commission from Gosplan pressure and reassign it to the Council of Ministers. As in the first instance, the Gosplan chairman (though now in his capacity as vice premier) was head of the commission. Soon the commission was quietly abolished, and now a new one has been set up, under the same chairmanship. The conclusion that naturally suggests itself is this: The Union government cannot conceive of the transition to the market system, or of the market system itself, without the Gosplan, whereas the Russian parliament adheres to a diametrically opposite opinion.

Can Russia live without the ministries it plans to abolish? The decision is, it must be said, bold to the point of desperation. So many ministers and deputies, apart from anyone else, will have to be found jobs. It is interesting that in the few days since the decision was adopted not one of the ministries has demanded to be retained or put forward arguments as to why it is needed, which it would have been quite logical to expect in such a situation. Could it be that they are not taking seriously the decision to abolish the ministries (there have been so many reductions before)? Or do they intend to demonstrate how "necessary" they are in practice, in the expectation that without the ministries the republic's economy will collapse into unmanageable chaos?

Of course, the Russian reformers are taking a great risk. The most idealistic intentions could be wrecked by open or covert resistance from structures that are to be abolished or do not have an interest in the changes. It is possible that not enough skilled specialists will be found for the market transformations, especially in the initial period, and the vacancies thus created will be occupied by dilettantes or charlatans. The intentions themselves could prove inadequately thought out and prepared for. Why, for instance, should the number of deputy chairmen of the Council of Ministers be halved, rather than reduced by one-third or by a factor of 3.6, and does not this vagueness suggest that some basically correct decisions are based more on emotion than on cool calculation?

The Russian parliamentarians are themselves probably aware of the dangers that await them on their chosen path. But is it not an even greater risk to do nothing at all, or to act, but only in such a way that nothing changes? And from this viewpoint the feeling of an ultimatum that was mentioned above is explicable: Either let us carry out the reform together, or else we will do it ourselves. Of course, it would be nice if this threat remains unfulfilled and Russia does not start printing its own money. After all, that is not merely divorce, but a real parting of the ways. The extreme undesirability of such a turn of events is persistently emphasized both by B. Yeltsin himself and by his first deputy R. Khasbulatov. On the other hand one can, of course, understand parliament's desire to protect its voters in case of uncontrolled emissions or other fatal mistakes by the center in financial policy.

The Russians have set themselves no easy task: to demonstrate that economic reform can be really radical. It is also possible and necessary to make the transition to a market system from total planning, which demands, as the famous German philosopher Karl Jaspers noted, an increasing concentration of power, which inevitably culminates in centralized management of life in general.

The implementation of the task set requires not only careful thought and a sense of proportion, but also the ability to use the experience already accumulated. Unfortunately, there is no certainty of the latter. B. Yeltsin, for instance, is today repeating as if by rote M. Gorbachev's mistake of three years ago. At that time the general secretary assured us that the planned price reform will not affect living standards and will be carried out without being in any way detrimental to the population. This impossible promise paralyzed the reform, and what could have been done in the best possible conditions with the fewest possible losses was not done. Although even then many people certainly realized that no decision can be effective if it does not affect anyone's interests. The only question is to what extent and on what terms.

B. Yeltsin is now promising to carry out radical transformations without affecting people's living standard. But there is no such thing as a "free" reform, as experience shows, and as the president, incidentally, is now pointing out. Assurances of the impossible will either tie the reformers' hands or undermine their prestige irretrievably. For the time being, their credibility is quite

high: In Russia there is a new, genuinely elected power, and a new government is being formed which is not associated with the sins or the pledges of the past, and that means that it has the immaculate reputation of a newborn babe. This is a very important condition for achieving success, especially since what we all want is not for the reform to be victorious in one republic in isolation, but for it to radicalize, through its vigor and determination, the all-Union reform, which has come to a standstill, and to carry the others in its wake.

That is the point of the challenge issued by the young Russian parliament.

Former Military Complex Plundered

LD0107121890 Moscow Domestic Service in Russian 0754 GMT 1 Jul 90

[From the "Panorama" program, presented by Pavel Kasparov: Correspondent Gennadiy Chudnyy report]

[Excerpts] [Kasparov] We would like to continue our "Panorama" with the subject of conversion, which everybody has heard a lot about, but which unfortunately is not actually happening in practice. Assets worth almost 400 million rubles have been virtually abandoned to their fate, just 90 minutes drive from Tomsk, at a picturesque spot in the taiga. Dishonest and light-fingered people from many Siberian oblasts have been ruling the roost there for a year now. Here is our correspondent, Gennadiy Chudnyy, with the details:

[Chudnyy] A year ago, in accordance with the conversion program, a motorized division stationed close to the settlement of Itat was disbanded. The military evacuated their well-appointed residential complexes and all the buildings were handed over to the Tomskiy state pig farm, which planned to locate a breeding station for 54,000 pigs there. The facilities bequeathed by the military were so unwiedly that the state farm could barely cope with one residential complex. The others were rented out, but the Tomsk enterprises that leased the premises are taking their time about moving in. Meanwhile, expropriators, marauders, and pillagers of abandoned sites are arriving there every day. This, it seems, is the easiest way to darn budgetary holes, both for individuals and state organizations.

In the space of one year, Number Four—the name given by the military to one of their townlets—has been literally cleaned out. People seek and take everything they can find here: doors, frames, pumps, boilers, diesel engines, cables, electric stoves, and appliances. The sanitary fittings of the well-appointed apartments blocks are being dismantled. When I visited the completely unguarded complex; the smart operators of the Tugan sawmill were at work there. They were using five large trucks to remove concrete slabs from the vehicle park. In other words, conversion in Tomsk is, in fact, blatant theft. [passage omitted]

[Kasparov] I myself am simply shocked by the report. I cannot find words to describe my feelings, except possibly a sporting metaphor: If this is conversion, we plainly do not need it.

Western Republics

Belorussian Supreme Soviet Elections Postponed

LD0307133890 Moscow TASS International Service in Russian 1137 GMT 3 Jul 90

[TASS correspondent Vladimir Bogdanov report]

[Text] Minsk, 3 Jul (TASS)—Even the third round of people's deputies elections in Belorussia—a republic in the western USSR—will not be the last in the present election campaign. Following the preceding rounds 25 out of 360 deputies posts remain "vacant" in the Belorussian Supreme Soviet. Sixteen constituencies opened the new round of elections where ballotting was set for 30 June. In only five of them have the holders of the mandate of deputy become known. In all other constituencies the elections were deemed not to have taken place due to the failure of voters to go to their polling stations.

As a result, the Belorussian Supreme Soviet which has been going on Minsk, the republic's capital, for over or and a half months, will have to end its first session wit its composition not up to strength. The fourth round of elections, in all probability, will now take place in Soviet Belorussia in the autumn.

Ukrainian Premier's Government Program Cited

PM0507085790 Moscow IZVESTIYA in Russian 30 Jun 90 Morning Edition p 4

[Dispatch by IZVESTIYA correspondent S. Tsikora: "A Hundred and Three Questions to the Ukrainian Head of Government"]

[Text] Kiev—The stormy debate in the Ukrainian Supreme Soviet about whom to elect as head of the republic's government, were concluded with the appointment of Vitaliy Andreyevich Masol to the post of chairman of the Ukrainian SSR [Soviet Socialist Republic] Council of Ministers.

IZVESTIYA already reported on this yesterday. Today I would like to supplement the information with an account of the program of the head of government, and his attitude to resolving crisis phenomena in the economy.

Vitaliy Andreyevich Masol is 62. He battled for the post of the republic's premier in a competitive struggle with a younger rival—Doctor of Economic Sciences V. Chernyak, who presented a program for transformations in the republic at the session, which was "brilliant in its academic approach," according to the deputies. And it was not this competitor's fault that the deputies gave their

preference to V. Masol's program, which was less spectacular, but more comprehensible and relevant for the present time.

I will cite some of its points, which were then fleshed out in Vitaliy Andreyevich's answers to the 103 questions that deputies asked after his program speech. A matter that V. Masol called top priority and one that brooks no delay was the formation of a leadership for the agricultural complex. The harvest is ready in the republic's southern regions, but because of the shortfall in deliveries of gasoline from the RSFSR [Russian Soviet Federated Socialist Republic] running into several hundreds of thousands of tonnes, equipment has come to a standstill in certain areas. "What has the Ukrainian government done to halt deliveries of coal, oil, sugar, electric power, and metal to Russia in this connection?" the deputies asked. I am opposed to confrontation, V. Masol said. Like V. Ivashko, the head of the republic, we advocate consolidation and the idea of working on a contractual basis with all Union republics and enterprises.

Vitaliy Andreyevich considers the republic's genuine economic sovereignty as a determining condition for the Ukraine's stable economic and social development and the spiritual progress of its people. Its riches and material and financial resources—everything that is produced here—V. Maslov stated, must belong to the Ukrainian people. The government must bring all enterprises and organizations on the republic's territory back under its own jurisdiction without delay. The declaration of economic sovereignty will, in V. Masol's opinion, be an important step toward the real establishment of a new type of Soviet Federation. Treaties will be concluded in the near future with Russia, Belorussia, Kazakhstan, and Uzbekistan, with which the Ukraine has very close economic ties.

Work aimed at the individual and meeting his needs—these are the new criteria for the reorientation of the powerful industrial potential of the Ukraine which has worked for decades for the god of heavy industry. To satisfy the consumer market, V. Masol said, we must give priority in development to the processing sectors and to the food and light industries. This will make it possible to increase the food on the market by 30 percent and industrial goods by 50 percent in the Ukraine in the next five-year plan period. I believe, he stressed, that many questions regarding the production of food products, with the exception of meat products, may be resolved in the next two or three years.

The change in the aims of production will be reflected in the management of the national economy. According to V. Masol, the republic's new government will reduce the number of ministries, which number 46 today, to about 20-25 in the future. But in the transitional period, the idea of a sharp reduction in ministries and departments must be approached very cautiously, since we have lost control of certain sectors of industry in previous years through excessive haste.

The reorganization of the banking system and of the management system for the national economy in V. Masol's program is very close conceptually to the changes announced at Supreme Soviet sessions in other Union republics. But there is one essential difference.

"I acknowledge that after a certain period of time there will no longer be a Council of Ministers in the republic, but a prime minister and a corresponding government," Vitaliy Andreyevich said in answer to one of the deputies' questions. "It is possible that it will be made up of 20 or 15 ministers instead of today's 50. Today my position is that we will gradually eliminate ministries, not with the aim of reducing the apparatus, but by dint of the sectors' becoming ready for the transition to market, or to be more precise, entrepreneurial activity. Such efforts should be encouraged in every way through normative acts, economic laws, the banking system, and joint commercial enterprises. Then the idea of the transition to administration through the prime minister will not seem all that remote and unreal."

V. Masol favors the transition to market relations. But a market mechanism, he believes, cannot by introduced by an administrative-edict method, and at the expense of lowering the population's living standard.

And finally, a question to which parliaments in all our republics are growing accustomed to hearing is the question of the mutual relations between the government and the informal organizations on the one hand, and the local authorities and the peoples' fronts on the other. V. Masol advocates businesslike, constructive cooperation between administrative organs and the various social organizations, movements, and groups. He hardly had time to state this before he received a question from representatives of such organizations in the Ukrainian parliament, with a specific implication: "But, Vitaliy Andreyevich, in order to put these contacts into practice, is it really essential to combine the premiership with membership of the new Ukrainian Communist Party Central Committee Politburo?"

"Membership of the Politburo," V. Masol answered, "is not a post, it is a communist's duty."

It is hard to say whether he convinced the deputies with his reply, but the results of the ballot on V. Masol's candidacy turned out as follows: 229 deputies voted for his confirmation in the post of head of government, and 173 voted against (there are 450 people in the Ukrainian Supreme Soviet). So there is still a great deal of work involved in order to achieve mutual understanding between parliament and the government.

New Belorussian Premier Kebich Interviewed

PM2706135590 Moscow IZVESTIYA in Russian 27 Jun 90 Morning Edition p 3

[Interview with Vyacheslav Kebich, chairman of the Belorussian Council of Ministers, by N. Matukovskiy;

date of interview not stated: "New Belorussian Head of Government Appointed"—first three paragraphs are introduction]

[Text] Minsk—The Belorussian Soviet Socialist Republic [SSR] Supreme Soviet session has appointed Vyacheslav Frantsevich Kebich chairman of the republic's Council of Ministers.

V. Kebich was born in 1936 and graduated from the Polytechnical Institute and the Minsk higher party school and is a mechanical engineer by profession. At the S. Kirov machine tool building plant he traveled the path from industrial engineer to general director. In the eighties he worked as second secretary of the Minsk Gorkom [city party committee], chief of the Belorussian Communist Party Central Committee Heavy Industry Department, second secretary of the Minsk Obkom [oblast party committee], and deputy chairman of the Council of Ministers and chairman of the republic's State Planning Committee.

Your correspondent met with V. Kebich and asked him to answer a few questions.

[Matukovskiy] Where do you see your main task as head of the republic's government?

[Kebich] There are several tasks. I would put first the republic's economic sovereignty. Most often we have to act in the role of petitioner, as though the center knows more about our concerns! We must adopt a declaration and a law on sovereignty and open the way to new relations.

[Matukovskiy] How do you see these new relations?

[Kebich] They should be regulated by special treaties which would define precisely economic relations between the republics and the center. Why is this necessary? An economic structure has taken shape in Belorussia which is geared to a considerable degree toward satisfying all-Union needs. And it is hard to alter this structure. We do not have our own fuel and energy base or an adequate raw material base. We import all resources. All this should be considered in elaborating a model of the market economy....

[Matukovskiy] Are you a supporter of market relations?

[Kebich] Undoubtedly, but of relations which would not worsen people's position. What the center is offering us today cannot satisfy us. Calculations show that the proposed reform of price formation will lead to an increase of R10 billion in the expenditure of the republic's population. The centralized compensation which has been planned will not make up even half of the proposed expenditure.

The way out is the republic's economic sovereignty and its right to form its own finance and credit system and taxation policy. Relations with the Union budget, I am deeply convinced, should be built on the basis of firmly established payments.

[Matukovskiy] And when in your opinion will these relations come?

[Kebich] A version of the concept of economic independence has been issued to the deputies. It will be examined by the Supreme Soviet. The republican program for the transition to market relations should be examined with the participation of the broad public. People will be able to understand and accept all the difficulties of the transitional period only if this is stated openly and directly. And if schedules are given. People have grown tired of endless shortages and uncertainty and of the Chernobyl tragedy. We must seek compensation from the Union organs for these losses from the Chernobyl catastrophe.

[Matukovskiy] One forms the impression that were the republic to receive economic sovereignty all problems would disappear immediately!

[Kebich] Rather the reverse. We will have to work even more, particularly in the sphere of consumer goods production. But our people have long been known for their industriousness and high morale. We only have to release them from the clutches of the disorganization in life and instill confidence that all the benefits of which we are now dreaming are attainable and feasible....

[Matukovskiy] When you were in your former job many people were impressed by your self-sufficiency and independence in views and actions.

[Kebich] Character does not change at my age.

Belorussian Roerich Foundation Created in Minsk

LD0407124490 Moscow TASS in English 1235 GMT 4 Jul 90

[By TASS correspondent Nina Sheldysheva]

[Text] Minsk July 4 TASS—The Belorussian Roerich Foundation was formed in the Belorussian capital, Minsk. It will coordinate the Belorussian Movement popularising views of the Roerich family and publish books and booklets. The new organisation will seek to spread enlightenment, moral revival, to consolidate friendship among nations and to study the spiritual orgins of belorussian culture.

The Roerich Foundation is preparing for celebrations devoted to Slavic enlightener Francisc Skorina, to be observed in September 1990.

"We live in remarkable times, when seeds of the future are being sown" the foundation's chairman, poet Ales Ryazanov, told TASS. "It is particularly important to oppose the forces of chaos and destruction with a positive programme aimed at enhancing man's culture and morality. Roerich's vital ethnical teaching offers such a programme and lays down the cornerstone in the foundation of mankind's unity. Nicholas Roerich used to say

that magnificent roses from the East and West have the same delicious fragrance. One hopes that Roerich's teaching will unite us all".

World Panel To Investigate Chernobyl Aftermath

PM0307131590 Moscow IZVESTIYA in Russian 29 Jun 90 Morning Edition p 2

[Mikhail Shimanskiy report: "International Examination"]

[Text] Gomel—An independent international commission of experts is beginning work on examining the consequences of the Chernobyl disaster.

It has been decided that its headquarters will be in Gomel.

USSR people's deputies and inhabitants of the stricken rayons have frequently asked the country's government to enlist the services of leading foreign scientists and specialists to further study the consequences of the accident at the Chernobyl AES [nuclear electric power station].

The examination will be carried out by several international organizations jointly.

Approximately 100 leading scientists and specialists have traveled out to the affected areas of Belorussia, the Ukraine, and the RSFSR [Russian Soviet Federated Socialist Republic].

Masol Reelected Ukrainian Premier

PM0307093990 Moscow PRAVDA in Russian 29 Jun 90 Second Edition p 3

[Report by correspondents M. Odinets and I. Tikhomirov: "Ukrainian SSR Council of Ministers Chairman Elected"]

[Text] Kiev, 28 Jun—The Ukrainian SSR [Soviet Socialist Republic] Supreme Soviet session spent nearly a whole working week on appointing the head of the republic's government. On Monday at the proposal of V. Ivashko, chairman of the Ukrainian SSR Supreme Soviet, V. Masol, who has worked in this post so far, was nominated. The deputies spent a whole day discussing the candidacy.

After the voting it emerged that the candidate had received several votes fewer than required. The next day there was thus a discussion of the candidacy of V. Fokin, chairman of the Ukrainian SSR State Planning Committee. But he too failed to collect the necessary majority of votes. A third round had to be held. Before the round the deputies' groups analyzed at their sittings the situation which had taken shape and decided that the further examination of this question at the session should be on an alternative basis. Here several contenders were named, but the names heard most frequently were those of V. Masol and Doctor of Economic Sciences V. Chernyak, section chief at the Ukrainian SSR Academy of Sciences Economics Institute. Both names were put on the ballot slips. Unfortunately, the voting ended with an incident—the telling commission revealed a violation it had allowed itself: Using the identity card of an absent deputy, someone had obtained an extra ballot slip and placed it in the ballot box. The results of the vote were deemed invalid.

The voting which was not completed yesterday took place today. Vitaliy Andreyevich Masol was elected chairman of the Ukrainian Council of Ministers, collecting 229 of the 450 possible votes.

Military Clash Seen in Ukrainian Supreme Soviet

PM0307141390 Moscow KRASNAYA ZVEZDA in Russian 3 Jul 90 First Edition p6

[Report by KRASNAYA ZVEZDA correspondent Colonel A. Polyakov under the rubric "Direct Line": "Incident in Parliament"]

[Text] Kiev—A serious situation arose on Friday at the Ukrainian Supreme Soviet session after Colonel V. Martirosyan, USSR people's deputy, mounted the rostrum. Speaking out in favor of internationalism and friendship between the Soviet peoples, the people's elected representative remarked, incidentally, that the Ukraine should set an example of democratization. One step in this direction, in his opinion, must be the decision to depoliticize the Army. Colonel Martirosyan gave a simple explanation for his stance: The speech by Colonel General A. Makashov at the Russian Soviet Federated Socialist Republic Communist Party Congress was no accident, the military could come to power, and it would be too late when the coup had taken place—people would start to be lined up against the wall.

Major General V. Tolubko, Ukrainian people's deputy, who spoke after him, called these allegations irresponsible. At this point, emotions at the session spilled over. Several parliamentarians, who proudly call themselves "democrats," rushed up to the tribune, with the clear intention of using ungentlemanly means to silence their colleague....

We now talk a great deal about respect for others' opinions and call for tolerance, dialogue, and consolidation. But the path to this is, alas, still a long way off....

Ukrainians Demonstrate at Nuclear Power Plant

LD2805104390 Kiev International Service in Ukrainian 2300 GMT 27 May 90

[Text] An ecological meeting was held today in Khmelnitskiy. Taking part in it were residents of the city and of the entire region because the question of shutting down the Khmelnitskiy nuclear power plant evokes the concern of all people of the oblast. People's attitude to the nuclear power plant can be well illustrated by mass meetings, picketing of the project, refusal of the Zdolbunov cement works to suply its products for the construction of nuclear power stations, and hunger strikes.

As is known, 15 people from Khmelnitsky today suspended their hunger strike. However, the protest strikes continue. Today scores of large industrial enterprises in Khmelnitskiy and other towns of the oblast announced a two-hour warning strike. A coordinating strike committee has been set up and a plan of action worked out. The people of Khmelnitskiy oblast demand that the Ministry of Nuclear Power Engineering give reasonable confirmation of a moratorium on the construction of the nuclear power plants.

Moldova Radio, TV Broadcasting Reorganized

PM0207085190 Moscow IZVESTIYA in Russian 29 Jun 90 Morning Edition p 2

[Report by IZVESTIYA correspondent Eduard Kondratov: "Independent Moldovan Radio and Television"]

[Text] Kishinev—A Soviet Socialist Republic [SSR] of Moldova Supreme Soviet session has abolished the republic's State Committee for Television and Radio Broadcasting. The new organization, Moldovan SSR National Television and Radio Broadcasting, has been removed from anyone's jurisdiction whatsoever.

When discussing its status, deputies also tried to establish guardianship of it. It was proposed that either radio and television journalists be put in separate offices, or that some kind of coordinating committee be created, or—and this was particularly attracted them—that television and radio broadcasting be placed under parliamentary jurisdiction. All this would in fact have meant replacing one controlling body for another. Nonetheless they agreed in acknowledging that radio and television should be accountable to no one. The Supreme Soviet will ratify the general director.

What innovations do the changes promise apart from the acquisition of the right to noninterference in journalists' affairs? The structure will change. Moldovan National Radio and Television Broadcasting will have economically accountable creative and production collectives dealing with publicity and foreign ties. Video hire will be organized in conjunction with Kishinev Gorispolkom [City Soviet Executive Committee] and a movie theater will be leased.

"It is time for us to work for ourselves," A. Usatyy, general director of Moldovan SSR National Television and Radio Broadcasting, believes. "This is the only guarantee of independence. The collective's depoliticization—there will be no party groups or front sections—will benefit the cause. Access to radio and television airtime is open to highly varied viewpoints. The main criterion for workers is their degree of professionalism. We also expect to have our own correspondents abroad. We will produce joint programs with neighboring countries."

But what about the USSR State Committee for Television and Radio Broadcasting? Moldovan television and radio broadcasting has no intention of severing its links with the former. There will still be a unified technical policy, unified copyrights and cadre instruction system. The only thing is that there will be no bosses in Moscow—just partners.

Caucasus

Armenia, Lithuania Sign Economic Agreements

NC0307123490 Yerevan International Service in Armenian 1800 GMT 2 Jul 90

[Text] A group of specialists headed by Shavarsh Aleksanyan, chairman of the Armenian State Agro-Industrial Committee, visited Lithuania recently. Following negotiations, an agreement was signed providing for the Lietuva firm to continue construction work in Akhuryanskiy Rayon. Construction projects between the two republics during 1991-95 are planned. An agreement was also signed providing for a considerable amount of agricultural goods to be sent from Lithuania to Armenia during the third quarter of the current year on contractual prices. Armenia will send fruit juice, brandy, tomato paste, wine, and mineral water in accordance with barter procedures.

During the meeting the two sides expressed readiness to broaden and enhance the mutually advantageous relations through direct contact.

Third Round of Armenian Elections Set for 15 Jul

NC0407075690 Yerevan Domestic Service in Armenian 1850 GMT 3 Jul 90

[Text] Repeat elections for the people's deputies of the Armenian Republic will be held in 76 electoral okrugs on 15 July. In addition to the candidate deputies already registered in these okrugs during the pre-election campaign, new candidate deputies have been put forward in line with residential requirements by the labor collectives and public organizations and have been registered at the okrugs' electoral commissions.

Armenia Appeals to CPSU Congress on NKAO

NC0407100490 Yerevan International Service in Armenian 1800 GMT 3 Jul 90

[From the republican press review]

[Text] The newspaper KHORHRDAYIN HAYASTAN writes that the worsening of the social and political situation in Nagorno-Karabakh Autonomous Oblast [NKAO] and in the Armenia republic prompted the need to appeal to the 28th CPSU Congress [by the Armenian Communist Party Central Committee plenum]:

The NKAO problem has attracted the attention of the party and of the country for the last two and a half years, yet the situation in NKAO and in the entire region has never been so tense and explosively dangerous as it is now. The leadership of Azerbaijan, with the tacit agreement of the center and in contravention of the 28

November 1989 decision of the USSR Supreme Soviet, has undertaken measures aimed at abolishing of the autonomous oblast through demographic change in the NKAO. The activities of the local soviet and party organs have been suspended and strict control has been imposed by the USSR Internal Affairs Ministry troops, which are resorting to extensive oppressive measures against the Armenian population and are trampling upon their democratic rights and national dignity.

These acts are openly provocative, contravene the USSR Constitution and CPSU regulations, make the Armenian people indignant, and destabilize the situation in the republic. This trend is by no means accidental; it was predetermined as far back as February 1988 when the CPSU Central Committee Politburo hastily assessed as nationalistic and extremistic the fully constitutional movement initiated in NKAO for the reunification of the oblast with Armenia and for the correction of the mistake made in the early 1920's in shaping national statehoods in Transcaucasia.

In appealing to the 28th CPSU Congress and to the entire party, the enlarged plenum of the Armenian Communist Party Central Committee, expressing the will of the communists and of the entire Armenian people, considers necessary the implementation of such urgent measures that would stabilize the situation in NKAO and in the whole region.

These measures should be: to restore all powers of the oblast and rayon soviet organs and of the party committees in NKAO; to abolish the illegal republican NKAO Organizational Committee set up by the Azerbaijan Supreme Soviet; to revoke the state of emergency introduced in NKAO following the January incidents in Baku; to remove the troops from NKAO and redeploy them along the border between NKAO and Azerbaijan and use the troops to ensure unimpeded communication between NKAO and Armenia and to open Stepanakert-Lachin-Goris road; and to open negotiations between NKAO and Azerbaijan and between Armenia and Azerbiajan on all issues of mutual interest with the participation of the personal representative of the president of the USSR.

The enlarged plenum of the Armenian Communist Party Central Committee hopes that this appeal will be received with understanding by those delegates of the congress who are interested in bolstering the cohesion of our society.

Gadrutskiy First Secretary Expelled From CPSU

LD0407204490 Baku BAKINSKIY RABOCHIY in Russian 21 Jun 90 p 1

[Unattributed article: "For Violating the Constitution of the Azerbaijan Soviet Socialist Republic..."]

[Text] A decision entitled "On Creating a Temporary Organizational Bureau in Gadrutskiy Rayon in the Nagorno-Karabakh Autonomous Oblast [NKAO]" has been adopted by the Central Committee of Azerbaijan Communist Party. It notes that party and soviet bodies in Azerbaijan are working purposefully to bring about reconciliation between the nationalities in the NKAO.

At the same time certain party committees in the oblast are under the thumb of the leaders of the so-called "Karabakh movement" and are failing to carry out the decisions of the CPSU Central Committee and the Soviet state, the Azerbaijan Communist Party Central Committee, and the republic's Supreme Soviet to normalize the situation in the region, while striving to block the work of the republic's organizing committee.

The Gadrutskiy Raykom [rayon party committee] bureau and G.L. Bagiyan, its first secretary, are occupying an anticonstitutional position. They have showed lack of principle and a desire for appeasement and have surrendered party positions. In effect they have become active in pursuing a policy of nationalism and separatism.

The campaign to elect Armenian Soviet Socialist Republic [SSR] people's deputies from the NKAO, which developed in the region in spite of the decision by the USSR Supreme Soviet Presidium of 3 March 1990 on the invalidity of these elections and regardless of the instructions of USSR President M.S. Gorbachev, was yet another illegal step by Gadrutskiy Raykom and its Bureau. Furthermore G.L. Bagiyan agreed to stand in the election as an Armenian SSR people's deputy for Gadrutskiy constituency.

The preparation and implementation of this action aggravated the situation in the rayon's villages. Population points were fired on more frequently as a result and there were landslides on roads. Internal troops repeatedly detained militants on the territory of the rayon and confiscated explosives and weapons. The republic's leadership and the organizing committee repeatedly warned G.L. Bagiyan that his illegal actions were intolerable. However, no practical steps were taken to normalize the situation.

The Azerbaijan Communist Party Central Committee Bureau decides:

1. To expell Grisha Levonovich Bagiyan, first secretary of Gadrutskiy Raykom, from the ranks of the CPSU and release him from his post for crudely violating the USSR's and Azerbaijan SSR's Constitution, for taking part in preparing and running illegal elections of people's deputies of the Armenian SSR from the NKAO, and for opposing the decisions of the party and state aimed at normalizing the situation in the NKAO.

2. In view of the situation in the rayon, to suspend the activity of the membership of the current plenum and bureau of the party raykom.

3. To appoint a temporary organizational bureau for Gadrutskiy Rayon to carry out the operational management of sociopolitical and socioeconomic life made up as

follows: chairman—Zubkov M.I., second secretary of Nizaminskiy Raykom of the Azerbaijan Communist Party; three representatives of the local population; and the chief of the political department of Gadrutskiy border detachment.

By decree of A.N. Mutalibov, the president of the Azerbaijan SSR, the powers of the Gadrutskiy Rayon Soviet of People's Deputies and its executive committee are suspended until new Soviet elections are held and the duties of the executive committee are entrusted to the temporary organizational buro of Gadrutskiy Rayon.

The members of the temporary organizational Bureau of Gadrutskiy Rayon have met V.P. Polyanichko, second secretary of the Azerbaijan Communist Party Central Committee.

Chairman of Baku City Soviet Elected

NC0207144590 Baku Domestic Service in Azeri 0440 GMT 29 Jun 90

[From the republican press review]

[Text] The Baku City Soviet of People's Deputies has held a meeting to examine the question of electing the chairman of the city's soviet of people's deputies. Agayev was elected chairman of the Baku City Soviet of People's Deputies by secret ballot. The newspapers also reported that Elmira Kafarova, chairwoman of the Azerbaijan Soviet Socialist Republic Supreme Soviet, addressed the meeting.

Situation in Tauzskiy Rayon Remains 'Tense'

NC0207130590 Baku Domestic Service in Azeri 1730 GMT 30 Jun 90

[Text] The situation in the Tauzskiy Rayon's towns, which border the Armenian Soviet Socialist Republic [SSR], continues to be tense. Bandits of the infamous Armenian national army continue their provocations and armed attacks without interruption. However, the militia units and local people are resolutely rebuffing them. The extremists have recently opened fire on the towns of Karalar and Mundzhuglu, which are located in the mountains. Nevertheless, the bandits were forced to halt their fire and slip away in retreat toward their own regions after being confronted with resistance.

Bagirov, chief of the Tauzskiy Rayon internal affairs department, told an AZERINFORM correspondent that 11 Azerbaijani towns that border Armenia are being defended round the clock. The local people strongly support the militia units.

Question of Market Economy Examined in Azerbaijan

NC0207132490 Baku Domestic Service in Azeri 0440 GMT 30 Jun 90

[From the republican press review]

[Text] The newspapers report that the Azerbaijan Soviet Socialist Republic [SSR] Council of Ministers Presidium met on 26 and 28 June. Leading officials and representatives of the Union governments and the central economic administrations participated in the meetings. Practical matters on the question of creating the necessary conditions for the planned transition to a market economy were examined. The speakers supported the policy drawn up on a market economy system.

Central Asia

Mass Hunger Strike Against Nuclear Tests

PM0307214190 Moscow TRUD in Russian 4 Jul 90 p 1

[V. Gafiatulin report: "Camping Out in the Square"]

[Text] Alma-Ata—Rumors of a mass hunger strike by inhabitants of Semipalatinsk Oblast have spread across Kazakhstan. Yesterday, TRUD's correspondent telephoned N. Zhotabayev, chairman of the oblast trade union council.

"The rumors are greatly exaggerated. In fact O. Bekishev, a labor veteran and holder of many orders who comes from the 'Turksib' state farm, did erect a tent in the oblast center's central square, put up a few posters protesting nuclear tests, and declared a hunger strike. Physicians, worried about the old man's health, persuaded him to call off the action. Patients in a number of hospitals in the oblast staged a three-day hunger strike. All this is connected with the nuclear weapons test range. People have grown tired of waiting for the country's government to break the protracted silence. A special commission headed by I. Belousov, deputy chairman of the USSR Council of Ministers, went to Semipalatinsk. They promised to resolve the question back in March and now it is July. A group of USSR people's deputies headed by N. Petrushenko, cochairman of the deputies' commission, went to Semipalatinsk Oblast... The people of Semipalatinsk, addressing rallies and meetings, are saying that time and again people have tried to convince them that the range is harmless but they do not believe it."

Radioactive Roadway Removed From Semipalatinsk

PM0307144390 Moscow KRASNAYA ZVEZDA in Russian 24 Jun 90 First Edition p 4

[Colonel A. Ladin report under "Alarming Situation" rubric: "Burying... a Road"]

[Text] The KRASNAYA ZVEZDA correspondents' center in Alma-Ata received a telephone call from USSR People's Deputy Colonel N. Petrushenko, who reported that a section of highway contaminated with radioactive elements had been discovered in Semipalatinsk.

Our correspondent asked Major General N. Khlyupin, chief of the Kazakh SSR [Soviet Socialist Republic] Civil Defense staff, for an explanation. Here is what he said.

On 13 June, during a routine gamma-ray background survey, "Volkhovgeologyia" specialists discovered a radioactive anomaly on a highway in the area around an accessories plant in Semipalatinsk. The extent of the contamination is 600 square meters. The degree of contamination is several dozen times higher than the natural background figure. An examination of samples showed that the increased background radiation was coming from pieces of smelting oven cinders in which cesium-137 was discovered.

Where did they come from? Who buried them so irresponsibly in the road surface?

These questions have still not been answered. But it is clear that when carrying out construction work, some leaders forget to consult with hygiene and epidemiology center radiology specialists.

As Colonel N. Sukhov, chief of a department of the Kazakh SSR Civil Defense staff, told me, it is perfectly possible that through someone's carelessness a standard source of ionizing radiation fell into the furnace during smelting operations at an enterprise in Semipalatinsk.

Here, at the staff headquarters, I was shown a whole dossier recording all incidents of carelessness involving radioactive and chemical waste products dangerous to people and all life. There are quite a few such cases, unfortunately. The latest is the one at Semipalatinsk.

Now, thanks to the efforts of the oblast's civil defense specialists, the top surface has been stripped from that ill-fated section of road and taken 17 km away from the oblast center.

But this doesn't completely solve the problem. Another question has arisen: Where is this vast quantity of radioactive road surface material to be buried? There is a proposal to bury it on the Semipalatinsk nuclear range. But even if that decision is adopted, it will take considerable resources to equip a special tomb.

USSR Deputy Barred From Uzbek Soviet Session

PM0307091190 Moscow KRASNAYA ZVEZDA in Russian 24 Jun 90 First Edition p 2

[Correspondent A. Valuyskiy report under the "Direct Line" rubric: "Barred From Session"]

[Text] Tashkent—USSR People's Deputy Major V. Zolotukhin, chairman of the USSR Armed Forces [as published] parliamentary subcommittee on young people's affairs, was unable to take part in the work of the second session of the Uzbek SSR [Soviet Socialist Republic] Supreme Soviet, 12th convocation.

A militia lieutenant standing by the entrance to the Uzbek Communist Party Central Committee conference hall where the session was taking place turned the USSR people's deputy's identity card over and over in his hands and stated that "it doesn't mean anything here." V. Zolotukhin's appeal to workers of the republic's Supreme Soviet apparatus who were there and to Ya. Mukhamedov, chief of the Uzbek SSR Supreme Soviet Presidium department on questions of the work of the soviets, had no effect either.

"It was not out of idle curiosity that I wanted to take part in the session's work," the USSR people's deputy said. "The fact is that in May this year Uzbek SSR People's Deputies A. Nasyrov, K. Bakhriyev, and E. Khalilov asked the USSR Supreme Soviet Youth Affairs Committee, of which I am a member, to help to speed up the examination of the question of the performance of military service by Uzbek draftees. Committee Chairman V. Tsybukh instructed me to study this question and then to report back to the republic Supreme Soviet members on the decisions adopted. As you can see, I was unable to do that."

The Law on the Status of USSR People's Deputy says: "A USSR people's deputy is entitled to take part in the work of union and autonomous republic congresses of people's deputies, Union and autonomous republic supreme soviets, local soviets, and their organs with the right to speak but not to vote."

Thus everything would seem to be perfectly clear. Even so I would like to ask: Perhaps the laws of the USSR no longer apply on Uzbek territory?

Uzbek Delegates to CPSU Congress Confer

LD2906151590 Tashkent Domestic Service in Uzbek 0115 GMT 29 Jun 90

[Excerpts] Yesterday in the Central Committee of the Communist Party of Uzbekistan a meeting was held with the delegates to the 28th CPSU Congress from the party organizations of the republic. Its participants exchanged views on the progress of preparations for the forum of the communists of the country, the special situation in which the party finds itself, and the necessity of consolidating all the healthy forces of society. [passage omitted]

Karimov, first secretary of the Central Committee of the Communist Party of Uzbekistan, the president of the Uzbek SSR, spoke at the meeting, and members of the Bureau of the Central Committee of the Communist Party of Uzbekistan participated in the meeting.

Osh Gorkom First Secretary Replaced

LD0307102690 Frunze SOVETSKAYA KIRGIZIYA in Kirghiz 22 Jun 90, p 1

[Excerpts] The mass disturbances which took place in Osh were discussed at an extraordinary plenum of Osh city party committee which examined an organizational matter.

U. Sydykov, first secretary of Osh Oblast party committee [obkom], delivered a report. He announced that a session of the obkom bureau had examined a request

from A. Sydykov, first secretary of Osh City party committee [gorkom] to be released from his duties. [passage omitted]

The obkom bureau assessed the work of the gorkom and pointed out serious omissions that led to the tragic events. It decided to release A. Sydykov from his duties as gorkom first secretary and also to release Sh. Akhmedov from his duties as second secretary. [passage omitted]

The plenum decided to satisfy A. Sydykov's request and released him from his duties as first secretary and member of the gorkom bureau.

The plenum also examined a statement by Sh. Akhmedov, the second secretary, on releasing him from his duties. But most members of the gorkom did not support his request. [passage omitted]

A. Mamyrov was elected first secretary of Osh Gorkom with one abstention. [passage omitted]

Kazakh Prime Minister Discusses Aral Sea Project

LD0307221390 Moscow TASS in English 2013 GMT 3 Jul 90

[By TASS correspondent Raisa Ioffe]

[Text] Alma-Ata July 3 TASS—A large-scale state programme to salvage the Aral Sea is being developed in Kazakhstan, a Soviet Central Asian republic. Kazakh Prime-Minister Uzakbai Karamanov commented on its main elements in a TASS interview.

"The programme envisages several stages in the effort to prevent a further drop in the level of the sea, which only 30 years ago was one of the largest and unique fishery reservoirs, stretching over an area of more than six million hectares," Karamanov noted.

"Among the priority measures, available water resources must be used rationally, water-conserving farming systems must be introduced and all of the local land improvement systems must be reconstructed. We also intend to address once again the project to divert part of the water from Siberian rivers to the Aral Sea as the most viable way to salvage the dying sea."

Karamanov recalled that the Aral Sea's agony was the sorrowful result of irrational economic activity. In some places the sea's shores have receded 100 kilometers. [as received] Harbours and bert are deserted. One more desert, dubbed by people as Aral-Kum, has appeared on the joint of two great deserts—the Kara-Kum and Kyzhyl-Kum.

"Up to 75 million tons of sand, dust and salt are annually lifted into the atmosphere from the 25,000 square kilometers of dried sea bed, spreading over hundreds of kilometers. The tragedy of the Aral Sea is ranked as one of the most serious among the world's ecological cataclysms.

"Attaching much importance to international efforts to save the Aral Sea, the Kazakh Parliament approached the Soviet Government and the USSR's deputies with a request to draw the attention of such international organisations as the United Nations, the UN Educational, Scientific and Cultural Organisation (UNESCO) and the World Health Organisation (WHO) to the problems of the Aral Sea.

"An international project to restore the Aral Sea, which was signed by the USSR and the United Nations Environment Programme (UNEP), was the first collaborative effort in this direction."

Karamanov said that according to plans, almost 400 million roubles will be allocated from the state budget over the next five years to improve the ecology and the social infrastructure of the region.

The programme also envisages setting up a special economic zone here and introducing several benefits for the population, specifically, supplements to wages, reduced income taxes and longer holiday.